

industry and agriculture, make it possible to carry through this leap forward. He went on to say that in 1956, we succeeded in completing the economic reforms. He explained this by saying that they turned private industry into semi-State industry, and the farms into co-operatives.

LI stated that 1956 was the year of completion of the liberation of the economic forces. This struggle for the liberation of the economic forces changed, as they say, the economic foundation of the country, especially after the economic successes in 1956.

LI then went on to talk about MAO and the Central Committee, and what they had decided. They decided to start the rectification campaign. They decided to put forth MAO's slogan, "Let a Hundred Flowers Bloom -- Let a Thousand Ideas Contend." This meant that they decided that Socialist laws of property were possible.

Parenthetically speaking, you will notice that in the main this was supposed to be a discussion of the economic situation, but the Chinese all revert back to give a political explanation of their economic policy.

LI then went into an explanation of how the Rightists, as they call them, attacked Socialism, the dictatorship of the proletariat, the Communist Party, and everything that is associated with Communism. He stated that the Party and the Government then launched a counter-attack. In 1956, they gained an economic victory. In 1957, by defeating the Rightists, they gained a political victory. Then they could see that both material and political conditions for changed economic plans were laid.

LI then stated that the struggle against the Rightists and the rectification campaign was also a struggle against, what they call, the three evils: (1) Subjectivism; (2) Bureaucracy; and (3) Sectarianism.

Parenthetically speaking, points #2 and #3 would signify or measure the relation of the Party to the masses of people.

LI went on to say that during the rectification campaign, they mobilized the people. We exposed our shortcomings. We mobilized the people and showed them that the Communist Party is their Party,

LI went on to explain that up until liberation, China was under the heel of imperialism for a long time. According to LI, China was exploited and poverty stricken. LI quoted MAO and said that China was turned into a temporary blank or a vacuum. (This is used in an economic sense).

LI stated that at the time of liberation, the total steel production in China was 900,000 tons, and most of this was produced in Manchuria. At the end of the first five-year plan, China produced 5½ million tons of steel. During the first five-year plan, LI stated that they laid the basis for heavy industry and light machine industry. Also, the basis was laid for machine production.

LI stated that the situation in agriculture was poor at the time of liberation. China produced 270 billion caddies of grain. In 1957, they produced 370 billion caddies of grain, but this was still not enough. LI stated that 370 billion caddies is equivalent to 135 million tons. LI stated that grain production had to be increased so that the peasants could be supplied with grain throughout the year.

LI went on to say that they have laid three basis: (1) The change of the ownership system; (2) Due to the struggle against the Rightists, eliminated political thought of the people who, for centuries, were under the ideological influence of the bourgeoisie. Communist ideology was established among the people because there was a "liberation of Communist thought"; and (3) Material basis was laid during the first five-year plan. Originally, their plans provided for twelve million tons of steel to be produced by 1962. Later, their plans were changed to thirty million tons by 1962. (LI was very cautious and did not give me figures others gave me on steel. He referred me to Party leaders in the Political Department). LI stated that developments are hard to predict. He said we would be talking in conservative figures if we talked about an increase of nine or ten million tons by the end of this year.

Concerning the production of coal, LI stated that in 1957 they produced 110 million tons. In 1958, we are producing 220 million tons. After I asked a question, LI explained that they have almost reached the figure of 220 million tons already.

In 1957, LI stated that the grain production was 370 billion caddies. This year, the harvest has already increased by

million tons in all grains. He said that this increase is not due to good weather. In fact, it is just the opposite. He said that there is a drought in the Southern part of China. But despite this, there have been increases in grain production.

LI said, We lack machinery and chemical fertilizers. We depend on five hundred million peasants. LI said, MAO has taught us that we can increase the production of steel, coal, grain, etc., despite the lack of fertilizers, machinery, etc. To effect such increases in agriculture: (1) We will have to carry on more irrigation; (2) We will have to obtain human or animal fertilizers; (3) We will have to improve the soil cultivation by plowing deeper than we have up to now; (4) There has to be an improvement in technique, even in hand tools; and (5) There has to be better management of the fields, and we have to get rid of weeds, wastegrasses, etc.

(I want to point out that during my stay in China, I could not find a single weed. There is not one foot of soil in the cities or in the country which is wasted. Even in the place where I lived, wherever there was a few feet of ground, they would plant some kind of a vegetable. Every foot of ground was cultivated in the cities and in the country).

LI went on to say that last year the average production of grain was 600 caddies, or 800 lbs., per person. He stated that this was not enough. Using quotations of MAO at the second session of the 8th Congress, LI stated, Through a great effort, if we fight bitterly, we may be able to produce 1,500 caddies of grain per person. Then he said that this goal has not yet been announced by the Central Committee of the Communist Party of China, but that this is their aim.

LI stated, This is our condition in agriculture. The main concern is irrigation. He said most of the water goes into the ocean. Their main task is to preserve the water. They need to build a large number of reservoirs in order to store the water coming off the hills.

LI went on to say that during the second five-year plan, they must increase chemical fertilizers greatly. At the time of the first session of the 8th Congress, the plan was to produce 480 billion caddies of grain. Now, the figure has changed to 800 billion caddies or even 1,000 billion caddies. This is an indication of the big

duction of 1,500 caddies of grain per person has not yet been made. He stated that it is better to be humble and talk of low achievements, and then when you have reached your goal, it should be announced.

Parenthetically speaking, this is the way the Chinese work. They minimize figures, reach their goals, and then make the announcements.

Concerning steel production, LI stated that originally they talked of 7,600,000 tons of steel this year. But now they already have produced nine or ten million tons. LI stated that at this moment, they cannot decide how large the increase in steel will be. In any case, LI is sure they will produce thirty million tons of steel by 1961. But this figure may be changed by the people in the provinces to forty million, fifty million, or maybe even seventy million tons of steel by 1961. I asked how they will obtain such a high production. I learned that they open up small mills in the provinces. They may produce only about 2,000, 3,000, or 4,000 tons of steel per year. This would probably be enough to accomodate local needs. The production of these small mills adds greatly to the over-all production.

LI said that China is passing Great Britain in the machine, tool, and electrical industries. LI quoted MAO by saying, We will surpass Great Britain in everything in fifteen years. LI emphasized, as did others, that it will not take fifteen years to surpass Great Britain. He said that in 1959, steel production may be twenty million or twenty-five million tons. That is more than Great Britain produces now.

LI cited the production figure for coal as 300 million tons per year. LI said that China pays greatest attention to steel, coal, manufacturing, electrical power and railroad construction. He stated that in this kind of development, there are shortages of raw material, power, machines and transportation. He said that this is quite a contrast to the Capitalist world, where they have problems of over-supply.

LI then went on to talk about the economic crisis in the United States. He said that the over-supply in the United States is an indication of problems and decay in the Capitalist system. He stated that some comrades from industries and provinces came to

Why the big leap forward? LI said that besides what we publicly stated in our resolution, we think the main factor is the leadership of the Party and the full mobilization of the people. When the people understand, their energy is boundless, and it results in a big voluntary effort. Then LI said that the general line of the Party can be expressed in the following slogan: "Engage in the Greatest Endeavor, Always Fight for the Best to Construct Socialism, Under the Principle of 'More -- Quicker, Better and Economically'." This slogan is seen everywhere.

Parenthetically speaking, I might add that parades are seen in the streets, night and day, with Party slogans. Street meetings are carried on and vaudeville acts are presented. The Communist Party constantly agitates and pushes the people.

LI stated that industry and agriculture should be developed simultaneously. He said that industry is under central and local control at the same time. He said many industries will be turned over to the local organization, and that the central government intends to keep the backbone of large industries.

Parenthetically speaking, I might point out that the Chinese are going to imitate the decentralization plan of the Soviet Union, although the Chinese claim they have their own plan.

LI stated that large and small industries should be developed at the same time, and this will result in the speeding of production. He said, We have mills producing four million tons; yet, we have other mills which produce only one thousand tons, and we have mills which produce only three hundred tons. While the large mills are the most important, we must build large, medium and small mills at the same time. The small mills can supply the local needs and there is a quick return of the investment.

In regard to technology, LI said, We have both up-to-date technology and backward technology, but we are organizing these to march hand in hand.

LI said that they have the most up-to-date mills in Hankow. He said they were established with the help of the USSR. They also have small and backward mills and they, too, are marching forward hand in hand with the big mills.

LI then advised me to keep certain things in mind. He said there are some special conditions in China. We are developing industry at a late date. Previously, the imperialists said that we had no raw material, no iron, etc. But since liberation, we discovered iron all over the country. Some deposits were found to be very small, and so we built smaller plants to make use of the small iron deposits.

LI then went into the livelihood of the workers and how it has improved. He said China was the most poverty stricken country at one time, and the standard of living is still low. But since 1952, wages have increased by 34%. The peasants have improved their standard of living. It was most miserable at one time. The workers and peasants are now satisfied, but their standards are very low by comparison with United States standards.

LI stated that this improvement in the standard of living cannot be judged by wages alone. Prices have been stabilized. He said there has even been a decrease in price of some manufactured goods. This year, there has been a 2% decrease in prices in this category.

On the question of the improvement of the livelihood, LI quoted MAO, who said: "Work bitterly for the next three years." LI said, We should work for the next three years to accumulate and put back into industry and agriculture. (They develop this thesis further. Work bitterly for the next three years so they will live a glorious life and in luxury for the next one thousand years). This policy has been explained to the people, and it is understood by the people that it will lead to a better life.

LI said, Although there have been no wage increases in China this year, more people have been employed; therefore, the family economic situation has improved. China has many people, but we still need more labor.

LI then went into a discussion of how they are going to free women from family drudgery and are discussing how to put women into production in the cities and in the country. This is a very complicated problem, but they will organize it and this, too, will improve the standards of all the people. I noticed they were carrying on a big campaign to set up services so that women can have certain things done for them in order that they may be employed in industry. Included among these services were ready-made foods,

States, with its unemployment.

LI said that there are 24 million industrial workers in China. This includes those who work in Government offices. By the end of the second five-year plan, they will have twenty million additional industrial workers. By the end of the second five-year plan, as the young grow up, there should be an increase of 36 million of working labor forces. He stated that sixteen million of the 36 million will work on the farms, and twenty million will enter industry. LI stated that these are not sufficient, especially for agriculture. He said the old are not included in these figures.

LI went on to say that there was a time when some of us thought the population was too large and we were talking of population control. But now we feel we need seven hundred million more people than we have now.

Parenthetically speaking, the Chinese did change their policy concerning this, but at the same time they are beginning to practice this policy of controlling the population. They will practice birth control to some extent. The population of China increases each year equivalent to the population of Czechoslovakia.

Because there is a shortage of labor, LI stated there is a need to mechanize. He said the population is concentrated in 40% of the area of China. In the other 60% of the total area, there are fewer people, and these people consist of racial minorities. The Chinese claim that there about 36 million people who belong to these racial minorities, such as Moslems, Tibetians, etc. Their economic situation is worse than that of the Chinese.

Some provinces have a surplus of the population, but when the co-operatives develop, this surplus will solve the shortage of labor. There is a need to send a lot of people to the sparsely populated areas in order to develop these areas, which contain a lot of natural resources. The total area is 960 million square metres, 60% of which has a total population of 36 million, which is only 6% of the population, and the other 94% of the population live in crowded provinces. We need to send a lot of people to populate the sparse area, where the minorities are now living.

According to the present situation, if we organize, we can solve the shortage of the working force in the country during

toward these people is different than that of the Soviet Union. The USSR had no such problem, because they did not have as many in Russia. LI went on to explain that the policy toward these people is to restrict them, reform them, and to turn them into the laboring force. The small merchants and peddlars are willing to become laborers.

There were quite a number of Capitalists who became Rightists, but the majority agreed with the dictatorship of the proletariat and the Party. But as long as there are Capitalists, we must be vigilant. LI said the Capitalists have turned over shops and businesses, but these constitute small capital. The total capital of all of these amounted to 2,200,000,000 yuan, or 800 million United States dollars. This includes the Capitalists, the small merchants and the peddlars.

Parenthetically speaking, the Chinese have a law where they take over what they call Capitalist industry, shops or enterprises, and they pay interest for the so-called capital. This will be paid for about seven years. They tax these Capitalists, as they call them. They talk about taxing them to death. Some of these so-called Capitalists would like to be rid of their property. The Chinese will not let them get out of their class position. They figure that after seven years of taxation, the property will be in the hands of the State.

When LI dealt with the small amount of Capitalists they found on hand, he said this explains why the Chinese bourgeoisie was opposed to imperialism and is still opposed to imperialism.

Parenthetically speaking, LI means that all the big industries were owned by foreign capital. So, it was easy to win the national bourgeoisie because they, too, felt that they were being kept from making big profits.

LI stated, But when the Party proposes Socialism, these people still resist the Communists. He said this problem is now being solved under the pressure of the people. Very few will resist.

LI went on to say that the landlord class is different, because the lands were expropriated and the peasants were liberated. The confiscation of the lands was the first task in the liberation of the peasants. The co-operatives were the second task in the

joins a co-operative, he does not get paid on the basis of sharing a certain portion of the land but on the basis of the amount of work that he contributes to the co-operative.

LI went on to explain the difference between China and the USSR in regard to farming. He said Russian farms are mechanized. We are just improving the hand tools for our farmers.

I asked LI how they run industry and agriculture. In regard to the system in the factories, LI said the Party Committee is the highest authority. The responsibility for the direction of the plant is under the leadership of the Party Committee.

(I found this to be true when I visited their factories. It was the Party person who explained the operations of the factory, and not the Director).

LI stated that the Director is responsible to the Party Committee. The supervision of the masses is under the leadership of the Party. Party authority is supreme. The Party Committees discuss how much they can process and the norms of production are also discussed by the Party Committee.

I asked on what basis they formulate these plans. LI said that the over-all plan is given by the Central Committee, and then the Party Committees in the various plants discuss the general plan and how they can formulate their own plan. He said that there are no plans for each factory. The plans go to the provinces, then down to the city, and then down to the factories.

LI stated that there are two kinds of accounts. The central authority has the first set of books. Then the Party Committee in the factory discusses and works out its own plan. When the central authority's plan comes back with suggestions from the factory, it is usually on an increased basis.

LI stated that in Yugoslavia, they have no plan because they work without the Party. It is impossible to plan. They work on the basis of Workers' Councils in each factory. He made a point that this is the reason why they lag behind and why they cannot increase their production in Yugoslavia.

Returning to China, LI said that they have two kinds of planning for industry. For example, in the railroads, all plans are

In regard to the relation between the Party, trade unions, and management, LI said there must be unity of interests on principled questions involved in carrying out a plan. There must be agreement on the general line. The trade union handles all the specific problems along the cultural line by themselves. But there is unity of interest of the State and the individuals. These must not be contradictory. They are based on the interests of the collective.

LI pointed out that the Director of a factory is generally appointed. There is no election. The Chairman of a trade union is elected, but the Party nominates the Chairman. The membership of the trade union can reject the nomination, but in practice this does not happen. The Party picks only those to run for these offices who are closest to the workers, who are most popular and who are sure of election. LI stated that in all of this work, we follow Chairman MAO's organizational line, "Of the Masses, From the Masses, to the Masses."

The draft plans in industry go through stages of reaching the people and the results are reported back to the central authorities and only then are they finalized. In this way, they get the reactions of the people. Thus, if there is too much resistance to the quotas, they will retreat before the plans are finalized.

The election of the trade union people is carried through in the same way. The Party nominates, the workers discuss, discussion or an analysis of the discussion comes back to the Party. Then the Party sends back a nominee and he is elected.

I asked LI where the finances come from. He said that if there is a factory within the plan of basic construction, then all the finances come from the State. He said 10% of the profit is left to the factory, and 90% goes to the State. Of the 10% that is left to the factory, 60% of the 10% is used for benefits and the welfare of the workers. In addition, the Government would add 12% of the total wages to go for the same purpose. The remaining 40% of the 10% goes back for production improvements in the factories.

In some cases, they give total free rent or free kindergartens to the workers, and they take it out of this 60% of the 10% that is left in the factory.

takes very little of this 25%. This is in the form of taxes. Taxes average 10%. LI said these taxes will be cut down during the second five-year plan to 6%. The remainder will be left to the co-operatives for purposes of seeds, machinery, tools, etc. He said 1% is used for public benefits.

LI stated that the young are responsible for the old. Those who have no laboring power are taken care of. This is done willingly by the rest of the co-op members. It is something like Social Security. LI stated that this is what we call income distribution by the co-ops.

LI said that the individual co-operative members have other incomes. Many are handicraftsmen. These people are allowed to raise chickens, pigs, vegetables, etc., on their private pieces of land either for themselves or they can sell them. He stated that the Party must see to it that this private income is not too great. If it is, they will begin to neglect the co-operative and will make their own money. In 1956, we began to notice this tendency for private accumulation. The rectification campaign discussed this and corrected this situation. Rectification simply means to replace bourgeois ideology with proletarian ideology. MAO said that such a rectification campaign is needed every year. This must be a constant campaign.

Communist ideology now prevails. It prevails in the peasant co-ops. But this thinking first had to be organized by the Party.

LI went on to say that they have a few forests in China, but on the whole they have very few trees. People have re-forested entire mountains in China "voluntarily".

With regard to prices, I asked, How are they set and how are they controlled? LI said that there is no free market. He said that for the main products, prices are decided by the State, and these prices are uniform. The main products, such as food and clothing, are decided only by the central Government. No one else can decide these prices. Steel, coal and power prices are also fixed by central authorities. When the products are plentiful, the Government sets a low price for them. LI said that when we say "State", it can also be the provincial Government in some instances. The price structure is examined twice a year to see if it is in keeping with production. Only the main products interest the central authorities. The prices in the provinces differ for some items. LI said

LI said that it is impossible to set prices for items such as feathers and wild straw. The local villages set these prices. These things are not important. They will not influence the economy and price structure of the country. Products raised individually by a farmer can be sold, but for prices fixed by the State. These are generally not important products, because food, linen, minerals, etc., must be sold to the State and not to anyone else. Individuals in the co-operatives may exchange things, or co-operatives may exchange with each other, but all prices are set by the State. He said these are not important items, such as chairs, tables, etc.

LI stated that the main principle in setting prices is whether it will increase production. It must conform with the principles of Socialism. If it will harm Socialism, we will use laws to carry on a drive against the speculators.

LI further stated that the small shops and peddlars are actually agents for Government stores. Their prices are set by the State. There is also a limit to their profits. They cannot earn more than a skilled worker in a city or more than a farm laborer in the villages. In general, there are uniform fixed prices. Some are fixed by central authorities, and some are fixed by provincial authorities.

LI went on to explain that production decides whether prices will go up or down. Since liberation, the over-all tendency has been that farm prices went up a little, but manufacturing prices went down. He said that this scissors, or ratio, of agricultural prices to industrial prices has narrowed during the first five-year plan by 20%. So even if there is a tendency to raise farm prices, manufacturing prices are down.

He said the improvement of the livelihood of the peasants depends chiefly on increasing farm production. Before liberation they produced fifty kilograms per mow. Now, one hundred kilograms per mow is produced on an average. The highest figure is two hundred kilograms per mow.

LI went on to say that the surest way to improve the standard of living in China is not through prices, but increased production. As to the livelihood of the workers, the main task is to stabilize prices on food, clothing, oil, etc. For these reasons, the workers and the peasants are very much satisfied with the party and the Government, because they have stabilized prices and increased

China averages four and one-half... This is much more than the average under the Kuomintang regime.

LI then talked about the slogan: "Fight bitterly and will achieve even higher standards".

I asked LI what he thought about attitude of the United States toward China, or vice versa. He told me to take it up with the Central Committee; however, these are his personal views and are not official. He said that if the embargo is lifted against China, it has to be complete. Not like England, which has lifted the embargo partially. He said it is a two-sided question. Even the embargo has been helpful because we need to develop our own industry. But the slogan, "Lift the Embargo", is a good slogan politically. LI stated that the volume of trade with the United States under the Kuomintang regime was very small. China traded chiefly with England and Japan.

LI asked me how long I intended to stay in China. He urged me to stay in China a little longer and see some more things. He wanted to arrange for me to go to Manchuria and Shanghai and other industrial areas.

LI made a few remarks about the United States being the head of the imperialist camp and said that Communists have to take an all-out attitude toward United States imperialism. He again said the Communist Party - USA should not worry about the imperialists.

In connection with the Solo operation, the Russians indicated they would ship \$200,000 to the Communist Party, USA, during 1958.

Supervisor [redacted] of New York Office advised this morning (9/8/58) that NY-694 had just contacted the NYO to inform he had just had a contact from Elizabeth Mascolo. She turned over \$12,000 to 694 which she had, she said, brought down from Canada and was the first part of the \$200,000 shipment from the Russians. She also said there was a bigger package in Canada, waiting transmission to the United States, and that she wanted 694 or his brother, or both, to come to Canada to get it. She asked 694 to contact his brother and see which one of them, or if both of them, would come to Canada for the other package.

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New York Office has talked to Chicago, and both agree that 694 should call 5824 under the circumstances. It is the thought, however, that one of the two (probably 694) could get the package and bring it to the United States. NY-694 has traveled back and forth between the United States and Canada on many occasions and he has no concern whatsoever as to bringing the package through Customs.

As to the \$12,000 which Mascolo gave 694, he contemplates "laundering" and placing it in his safe-deposit box, awaiting further instructions from his brother, who will undoubtedly arrange some contact with Dennis as to the disposition of this money.

New York will keep us closely advised of further developments.

JAS:LL

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1--Mr. Belmont
1--Mr. Baumgardner
1--Mr. Thornton

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16 SEP 11 1958

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Utmost care must be used in handling the following information in order to protect the identities of the informants.

The information on the following pages was furnished by CG 5824-S* during the period between July 22, 1958, and August 1, 1958, to SA JOHN E. KEATING and Stenographer [redacted]

[redacted] This eighth letter contains information concerning that part of the SOLO operation dealing with side trips around Moscow, the tour of Russia and comments on the Communist Party of the Soviet Union and the U.S.S.R. by CG 5824-S*.

- 2 - Bureau (RM)
- 1 - New York (RM)
- 100-134637 (SOLO 7-5)
- 1 - Chicago
- JEK:LMA
- (4)

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*1 re placed in 1243
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EX - 133

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18 AUG 15 1958

*W.C. [unclear]
C. [unclear]
B. [unclear]*

*Int. Sec.
B. [unclear]
Thurston*

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CC - B. Gardner

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cussions, reading or preparing material, we were taken for rides, a walk in a remote area, to the theater or to a movie. We saw such films as "Quiet Flows the Don", "The Idiot", "1918" and "Cinerama", which is called "Panorama" in Russia and has been well developed. The Russians are flooding the market with films, which are not only superior to anything they ever made before, but are of a very high quality. While all of them contain propaganda, some are like Hollywood musicals.

We went to the ballet twice in Moscow. Someone would whisper translations to us. We went either with YURI IVANOV, ALEXAI ANDREOVITCH GRECHENCO and his wife, or SEMA KUZNETSOV. We would sit in the rear rows of boxes and sneak in at the time the bell rang for the performance.

We saw the Lenin Museum and the Gorki Museum in Moscow with SEMA. We visited the Kremlin on one of the off days. The Commandant met us at one of the gates and issued the order that it should be opened. YURI IVANOV, my wife and I had a special guide for the tour of the Kremlin. We also visited churches, palaces and art galleries in Moscow. We saw things which the usual tourist does not see such as the graduates of a ballet training school.

We saw the Moscow University. They arranged to let us into certain halls and labs. We moved through silently to avoid questions. YURI knows the University well and took us around in such a manner that we would not be observed.

My wife spent 10 or 11 days in the Kremlin hospital which is across from the Lenin Library. Most of the doctors are women, except for the "professors".

I also visited the agricultural exposition twice in Moscow. I watched a cattle show and a horse show. This agricultural exposition is more than just a fair. The buildings are permanent. Every so called republic has its own architecture and its own buildings. There are special buildings for machinery. They have experimental farms in this exposition where they grow certain types of grain, vegetables, etc. Every phase of agriculture, including hog sheds, etc., is shown here the year round. They offer many

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local scale. Outside of Kiev, they have built an agricultural exposition which, by comparison, is a miniature of the one in Moscow. They are teaching scientific farming. Each collective farm I visited has an agronomist, who is a graduate from a farm school and teaches scientific farming. The land around the cities, including Moscow, is set aside in plots for gardens for vegetables.

At the apartment building where I lived in Moscow and which has been previously described, I would occasionally see a half dozen or so curtained cars drive into the courtyard. There is no front entrance to the apartment. I believe that some security agency may be located in the front part of the building. Once a week I would see a number of large cars come into the courtyard. Military officers would get out and walk into the building.

One day there was a sort of anniversary celebration of the founding of the border guards. They were wearing khaki uniforms with green bands on their hats and a green stripe on their trousers. There was a lengthy article in "Pravda" glorifying the security border guards. Many of them gathered in front of the apartment building on this day. I came to the conclusion that some important person was there, or there may be an office in the front of the building which has something to do with security.

II. LENINGRAD

We spent a month travelling outside Moscow, although we returned to Moscow once during this period for one day.

On June 4, 1958, we left Moscow for Leningrad by train on the Russian's so called luxury train, the "Red Arrow", which is similar to the 20th Century Limited on the New York Central. YURI SERGEOVITCH IVANOV accompanied us. Previous arrangements were made with the leadership of the Leningrad Party so we were met at the station by a chauffeur and a representative of the Regional Committee.

The Leningrad Party headquarters was caught unprepared. This was apparently the first time they have had a visitor such

the palace. The baths and other facilities were outside of the palace. No food was available, only tea.

The palace is located at 39 Tvrichiska (phonetic) Street next door to the police station. Another large palace, which is the headquarters for the Communist Party School, is located across the street. When the delegates were in Russia for the 40th Anniversary of the U.S.S.R. they stayed in this latter palace. They could not house me there because they were not sure that it was safe from a security standpoint. The palace we stayed in had security precautions similar to those in effect in the apartment at which we were staying in Moscow. Women take care of these places for the Party. One cannot enter or leave the place without being seen by these women guards. They stay in a room with glass doors. This room is at one side of the entrance. There were two women guards on the second floor.

This palace is located a few blocks from the headquarters of the Leningrad Party, which is called Smolny (phonetic). Smolny is the best known historical place in Russia next to the Kremlin as far as the revolution is concerned. This was the original headquarters of the revolution. JOHN REED's "Ten Days that Shook the World" deals with it. This is where LENIN worked. This is where they held the first Soviet meetings. The living quarters of LENIN were there. We saw personal articles which belonged to LENIN. We saw pillars which JOHN REED had stood behind. It is noted that a reprinting of REED's book has been ordered. The book was suppressed during the late 1930's when the purges started. It has been considered all right since STALIN's death.

The Party headquarters used to be a girls school for the nobility during the time of the tsars. Since 1917 it has been the headquarters of both the government and the city. To enter you have to pass security guards at the door. We went through with the people previously mentioned accompanying us. As in the headquarters of the CCCPSU in Moscow even the leading people have to show their passes. We used the private entrance of the Leningrad Party and also used the private dining room which is used only by the Party leadership in Leningrad.

saw us at least once a day and we would have lunch with him. We were taken on a tour of the city and saw some museums. The tour was made under extreme security precautions, privately and quietly, and with a constant outlook for any foreigners.

A. VISIT TO A SHIPYARD

We went to some factories and they asked what else we wanted to see. I asked to see the atomic ice breaker. They said that they would try to arrange it. After a little discussion it was decided that it would be all right to show it to us.

They arranged a visit and YURI IVANOV accompanied us to the gate of a big shipyard where we were met by the Director and the Party Secretary of the shipyard. The chief engineer of the shipyard, along with the Party Secretary, accompanied us on the tour of the shipyard. We saw the atomic ice breaker. Hundreds of men were working on it. They are putting in the fittings and expect to launch it before the end of the summer. They showed us the power plant in this ship, which is called "The Lenin". They are also building destroyers, submarines and so forth at this shipyard.

We were then driven to the Director's elaborate office. A huge meal was prepared and there were all kinds of bottles of liquor on the table. We drank toasts. The Director did a lot of talking. He asked, why is the American working class so slow? He said, we work for the future. We are making sacrifices and are building. He stated that the American worker pays more attention to his own needs than he does to the working class, historically speaking. He also stated that he has a lot of respect for American ship building. He does not underestimate it.

4.3 / 11.5 / P
The representative of the Leningrad region of the CPSU tried to cut this meeting with the Director of the shipyard short but was unable to do so. The Director said that he is a brother of NOVIKOV (phonetic), who lived in the United States at the time of the Russian Revolution. He stated that NOVIKOV carried to Russia a message from the American Communist Party about the time the Communist Party of the US was first organized in about 1918. The Director stated that LENIN im-

with a box of elaborate pastries and presented us with a huge book on Leningrad and autographed it. Of course, we had to leave all gifts and souvenirs we had received in Moscow before returning to the United States. We left Moscow with nothing which would reflect that we had been in the Soviet Union.

B. VISIT TO A TURBINE FACTORY

We visited a huge plant which produces electrical turbines. It is a very famous plant formerly known as the Putilov (phonetic) plant. It is in the Kerov (phonetic) district. They were building turbines which will produce up to 250,000 kilowatts. Some of these turbines were being built for use on the Volga River. Others were being produced for China.

We spent hours with the Director of the plant. I was supposed to ask him questions about the average wage, working conditions, etc. The Party Organizer explained how the Party functions in the plant, how they put over the Party line, the role of the trade union, etc. They gave me copies of local shop papers.

As we went through the plant they said, you are one of us, are you not? Of course you are. All right, let us show you a new plant we are building, one that KHRUSHCHEV saw only recently. This new plant is in the back of the old plant. It has the latest type of automatic machinery. They explained the technical reasons why this plant is superior in construction and in the use of certain types of machinery.

They took us through the workers dining rooms, clubs, etc., to show how they are getting along. They showed us a private radio station they have for the plant. The radio is used not only to play music but to shout slogans.

They talked about the functions of the Communist Party, the political problems and details concerning the relationship between the government and the plant. Nothing new was learned. They just verified what the leading members

We visited the subway in Leningrad. A Russian subway is built very deep, at least 15 to 20 stories deep. These deep subways actually saved Moscow. Not only was the Moscow subway used for transportation during the war but Soviet general staff was located in the subway when the Germans were only a few miles out of Moscow. The subway is still being extended in Leningrad and it is deeper than the subway in Moscow. Every station is like a museum. Trains are clean and roomy. The main point is that they are very utilitarian. Not only are they a means of transportation but they are also a shelter.

Subways similar in construction are scheduled for Kiev and Peking.

D. MILITARY MANEUVERS

On the evening of June 6 or June 7, 1958, I was awakened during the night by a loud noise. I looked out the window and saw lines of military equipment such as tanks, missiles, rocket guns mounted on half-tracks, cannons, anti-aircraft weapons and what not. This lasted for at least three to four hours. I almost went crazy because of the amount of noise. I do not know the significance of this. I asked YURI the next morning if he had heard anything during the night and his only reply was, yes. He made no further comment. All of this was very frightening.

E. SIGHT-SEEING IN LENINGRAD

They took us to some of the old places where LENIN used to hide out. They took us to the spot where LENIN wrote "State and Revolution" on the stump of a tree. This has been preserved and a fence placed around it. They showed us where LENIN lived. They have replicas of original documents and decrees signed by him. The originals are in Moscow. They took us to a historical palace called Petarhof (phonetic). It is about 30 miles from Leningrad. It used to be the palace of the tsars. The Germans destroyed it but they have rebuilt most of it. It has all kinds of fountains and statues.

amous art museum. It has many outstanding buildings and is a large institution. They have one part of this museum limited to Russian art. It is noted that we were expected to visit the workers institutions and the Party institutions.

F. MEETING WITH PETROV, FIRST SECRETARY OF THE
LENINGRAD ORGANIZATION OF THE CPSU

The day before we left Leningrad we met with PETROV, the First Secretary of the Leningrad Organization of the CPSU. (I am not sure if this includes only the city or the region). I was greeted in a large office where refreshments were available on a table. PETROV speaks a little English. He is about 38 years of age, 5' 8", medium build, dark complexion. He is obviously a university graduate. The new leadership in the CPSU is different from the old leadership. They are all trained as scientists or technicians or in liberal arts, politics, and economy. The new corps of the CPSU is a different type of leadership. They cannot be too proud about coming up through the ranks. While they come up from the ranks, it is in a new way.

PETROV gave us a picture of the situation in Leningrad area and told what had happened since the war. He summarized the political and economic situation. He did not tell me anything new. I had notes on this meeting but was not allowed to take them out of Russia.

I asked him, in its relation to the people, what is the difference in the functioning of the Party now as compared with the time of STALIN? PETROV gave an example. He said that much more initiative and freedom are allowed the people now. For example, last year someone wrote a play. It was the kind of play that would teach disobedience of parents. Somebody from the Cultural Department of the Party saw a rehearsal of the play and went to the director and the author and said that it was no good. He said, how can small children have more sense than experienced parents, etc.? Don't you think it is extreme? They replied we are not going to change a thing in this play.

PETROV said that in the old days the Party would have issued a decree. We would attack the play or shut down the theater and that would be it.

of the parents but would not promise to make any changes.

Of course, the Party went to work. According to PETROV, the Party mobilized parents and had a talk with them. They went to see the play. When it was concluded they expressed criticism. Of course, this criticism was expressed in a friendly manner, so to speak. By this criticism they compelled changes to be made in some parts of this play. PETROV emphasized that the Party played a little role in the mobilization of opinion, but that the Party does not use the high-handed methods that they would have used in the past.

We also discussed the question of peace. PETROV asked whether the American people are conscious of this question.

It should be noted that in the discussions with the leaders of the CPSU there is also a bit of propaganda. They want to emphasize that Communists in other countries have as large a responsibility as the Russian Communists have in the so called fight for peace. While they say they can take care of themselves, they would not be the only sufferers in the case of war. The nature of capitalism promotes wars. Thus, peace does not depend solely on them.

G. MOVIE ENTITLED "MEMORY OF THE HEARTH"

When in Leningrad I saw a movie with the title "Memory of the Hearth". It was a propaganda film with political meaning. Some English speaking persons participated in this film, including BELFRAGE, former editor of the "National Guardian", and PARKER, who participated in the writing of the script. As a rule PARKER is in Moscow as a correspondent. His name appears in the Communist press from time to time.

In this movie an English airman is shot down during World War II in White Russia or the Ukraine. The part of the airman is spoken in English. He is hidden out by a woman from a collective farm. She had been a school teacher but the Germans were occupying the school house. The woman was killed as a result of trying to protect the English airman. The point of the movie is, if the English and Russians were such allies during the war, why would the English want to have war with us now? It shows that the Russians and English

H. GENERAL OBSERVATIONS CONCERNING LENINGRAD

One third of Leningrad was destroyed during World War II. They pointed out how far the Germans advanced. The point is just outside the city limits. They said that a million people died during the siege. Some were killed, others either starved or froze to death. They have restored almost everything in Leningrad but in view of the fact that they had so much work to do it seemed to us that they still have a lot of work to do. Leningrad is a replica of Paris. They have restored plants, utilities and have rebuilt housing and added some new housing. They have built social institutions such as auditoriums, stadiums, meeting halls, etc.

Leningrad did not look too prosperous on the surface. The people were not as well dressed as they were in Moscow, Kiev or Stalingrad. The Party people explained that it took a long time for them to get back on their feet after the siege. Not only that, but most of the plants were moved to the Urals. However, they have a big ship building industry and a big machine producing industry. It is obvious that they are not putting a lot of capital in building new plants.

The Leningrad area is a very poor agricultural area. They can only raise certain specialized crops such as flax. Lumber is a big item there. They said that they are now better off than they were before the new decentralization policy came into effect.

III. KIEV

We left Leningrad for Kiev by train about midnight on June 8, 1958. We travelled for two nights and one full day before arriving at Kiev. We took the train because there were foreigners from the West on all airlines from Leningrad to Kiev. Thus, it was deemed advisable that I go by train. In fact, there was a communication between the Leningrad Party office and the Central Committee in Moscow in regard to changing our mode of transportation. They checked and double checked. The final order from Moscow was to go by train because it was too dangerous from a security standpoint to go by plane.

Moscow there is a phone line which is used only by the Communist Party of China and the CPSU and the two governments. The CCCPSU also has its own radio for contacting Party offices.

A. RECEPTION IN KIEV AND DESCRIPTION
OF LODGINGS

We spent four or five days in Kiev. We were met in Kiev by two members of the Ukrainian Central Committee and the usual cars and chauffeur. The Ukrainian Party has its own Central Committee although it is affiliated with the CPSU. Instead of having a Regional Committee they have the Ukrainian Central Committee. They do not have educational directors or organizational directors, they are called secretaries.

B. APPROX. 1944

One of those who met us is YURI IGOROV (phonetic), a member of the Ukrainian Central Committee. He was with us practically every day in Kiev. He knows a lot of Canadians and mentioned them by name. He is 36 years of age and speaks some English. He assumed that I was a Canadian until I told him otherwise. He wanted to discuss the Canadian situation with me, however, since we had mutual acquaintances we had a good relationship. The Ukraine is visited by a lot of Canadians. The Labor Progressive Party of Canada publishes two Ukrainian language newspapers.

In Kiev they housed us in a sanitarium about 25 miles outside the city. We had the main suite with a private dining room connected to it. This is a sort of vacation and health resort combined and is used by the leadership of the Ukrainian Party. It is called Putza Vodista (phonetic--means "Forest Waters"). It is a gigantic and elaborate institution with the finest furnishings and surroundings. They have a medical staff of 150 to accommodate a few hundred people the year round. The director and assistant director took care of our needs. We were not alone. Right next to our apartment of course YURI IVANOV had his quarters. We never had to arrange anything. Everything was done for us. Two people were assigned to us in Kiev, as well as in Leningrad, in addition to YURI IVANOV.

In Kiev they also have some apartments similar to the one we stayed at in Moscow. When we went into Kiev for

we stayed at this apartment on the evening before we left Kiev since they felt that it would be too long a journey from the sanitarium to Kiev and then from the airport to Moscow. This apartment is located almost around the corner from the opera house.

B. VISIT TO A COLLECTIVE FARM

We visited a collective farm which is about one and a half hours ride from Kiev. They said that it was not one of the best farms. This farm is in competition with a farm near Moscow called "Thelman" (phonetic). The "Thelman" farm was named after ERNEST THELMAN. I believe the farm we visited is called the "Communist".

The farmers do not live on the farm. They live in a one-street village. This was a very small village consisting of only six or seven homes. On the farm as in the city we were met by the chairman of the collective farm. Every farm also has a Party Secretary. We also met with the agronomist, who is the scientific advisor, and the chairman's wife, who is the hostess. YURI IGOROV and YURI IVANOV were with us.

We spent practically an entire day on that farm. They introduced us to various heads of departments on the farm. Someone is in charge of the dairy, someone is in charge of the pigs, the grain, the orchards, and so forth. This farm was wiped out during the invasion. The chairman was one of the few people who was an original member of this collective farm and who survived the war.

After we had visited this farm a Plenum of the CCCPSU was held and several changes were made with regard to agriculture. All payments in kind were abolished and the monetary standard was set up.

All farms have their own fish pond. One has to eat the national dishes when visiting a farm. At the end of the meal everyone sang. The chauffeur was allowed to participate in this type of gathering. In Russia the class lines are very sharp. Unless they are in an isolated spot where no public eating places are available the chauffeurs ate by them

of their own machinery and were building a large garage. Until recently the farms had no problem in regard to shelter for machinery because of the machine tractor stations.

I was told that their chief products are milk, cream and cheese because they are not too far away from the market for these products in Kiev.

Depending upon the type of work, the day rate is 10 to 15 rubles. If one goes beyond the normal production extra pay is received. This is an incentive for harder work. Also, at the end of the season products such as grain are distributed to the workers in equal shares, if the production quota has been surpassed. In addition, each individual or each family has its own private plot of land. This plot would be an acre or so. In most areas, however, the farmers are paying less attention to these private plots because it is now more profitable to put in more time in the work of the collective farm. Also, it is possible for a collective farmer to have his own cow, chickens and so forth. They have to take care of their own animals and receive no help from the collective. This is also being done away with because it does not pay the individual farmer as much as the work on the collective farm.

Another phenomenon is the merging of collective farms. One farm I saw was only one fourth its present size just a couple of years ago. This is being done in order to farm more economically in the utilization of machinery. Collective farms are growing in size.

When this particular farm started after the war nothing was left. They bought four cows. They plowed and developed the land and planted trees. Competition between collective farms is based on how much milk they get per cow, how much grain per hectare, the weight of pigs, how much of their commitment to the state they fulfill, how well they have paid off loans for the purchase of machinery and so forth. There are minimum prices, but price level for products is set as a result of competition in the market. Everything is sold to state institutions. They do not sell anything privately.

because of Party participation in this whole arrangement, the farms will gear their plans so that the overall plan of the particular area or region will be fulfilled. The Party will not let the farms underestimate. The incentive is that if they produce more than the quota or over-fulfill their plan, the share of each one participating in the collective is larger at the end of the year.

The collective farms retain some profits just as do the factories. The government lets them keep a certain percentage. When I say keep I mean that everything is sent to the government but the government will send back a certain percentage in the form of cash or bank deposits. This percentage is used for the shares for each farmer in the collective and also for certain social uses. For example, it may be used to build new buildings or homes or cultural institutions. Collective farms now assume responsibility for building individual homes as well as multiple dwellings. However, on a farm you have very little choice as to the kind of housing. There is no inheritance of land and no titles to property.

The last Plenum of the CCCPSU discussed only agriculture. They have abolished the tax on the private plots of land. Other taxes were also abolished to give the farmers incentive so that the U.S.S.R. can catch up to the United States in agricultural production.

In addition to incentives, they have other pressures. The farm has to take care of the aged, infirmed and the young. Many women work at hard jobs on the farm. Until recently, most farms had no dispensaries, no clinics or nurseries and so forth. They are now beginning to establish these institutions. The more profit the collective farm makes the more institutions it can establish. Thus, they use this social pressure to make people work. But there is also an incentive to obtain luxuries. In the old days there was very little to buy. Everything was rationed because of short supplies, but now things are different.

C. VISIT TO AN ELECTRONIC INSTRUMENT FACTORY

We visited an electronic instrument factory in Kiev and all the institutions connected with it, including

at this plant. There were kindergartens where the mothers could deposit their pre-school age children. Factories such as this also have summer camps for children.

D. FUNCTIONS OF THE TRADE UNIONS

It is the task of the Communist Party to take care of everything in connection with each factory. The Party is responsible for production, political education, and the welfare of the workers. The Party is woven into every institution, into everything that exists. The task of the trade union is limited. The trade union is actually a social organization. First of all, it sees that production is maintained. Membership in the trade union is compulsory. The trade union is also supposed to protect standards, prevent speed-up and prevent abuse. Ostensibly, the trade unions exist to protect the welfare of the workers as against management. The trade unions are supposed to see that management does not engage in abuses and that the rates are proper. While most trade union leaders are Party people, the trade unions have been criticized, since STALIN's abuses have been exposed, for not protecting the interests of the workers. Trade unions are expected to make suggestions as to how to better production.

In addition, the trade unions are responsible for social activities and institutions like rest homes, sanitariums, kindergartens, palaces of culture, etc. They also provide funds so that certain members can go to institutions like the rest homes and sanitariums. They also run hobby centers, theaters and so forth. While the Party has more power than the trade union, it does not engage in this type of activity. It merely sees that it is carried on. The Party is responsible for political understanding in general. Without political understanding they would not have any of these social institutions, according to the Party.

In conclusion, trade unions are supposed to alleviate grievances, ask about safety measures, etc. They also negotiate with management to set certain rates which are supposed to be fair, always keeping in mind the state--rates which are fair to the state. We would call trade unions social institutions more than anything else. Each factory has its own trade union. They have national trade union organizations which, among other things, send delegations to other countries.

in Kiev is very classical. Kiev is almost completely new. It has very modern apartments which are superior to those in Moscow. We saw no statues of LENIN in Kiev.

We visited the Ukrainian Art Gallery while in Kiev. In Kiev we were supplied with copies of the "British Daily Worker" which can be bought at all public newsstands as can the "Moscow News", which is published in English twice weekly. Other than that we depended upon the Russian press. "Pravda" goes everywhere in Russia. The Ukrainians use their own language to place emphasis on so called national independence, but there is really no national independence.

IV. TEMPORARY RETURN TO MOSCOW FROM KIEV

We were going to Stalingrad from Kiev but we agreed to fly back to Moscow because there is better transportation from Moscow to Stalingrad than from Kiev to Stalingrad.

On the night before we left Kiev we attended a banquet with members of the Ukrainian Central Committee present. YURI IGOROV was present. We left for the airport after the banquet. A leading dignitary took us to the airport and hid us in a special room at the airport terminal. Our baggage was taken from us six hours in advance.

11.5.58
We arrived in Moscow on June 14 or June 15, 1958. NICOLAI DIMITROVITCH MATKOVSKY and ALEXAI ANDREOVITCH GRECHENCO were at the Moscow airport waiting for us. ALEXAI had returned to Russia from a trip to the United States. We spent the night in Moscow and left the next morning for Stalingrad by plane.

We always had the same seats on every plane, the first seats behind the cockpit. The take off was delayed. We found out afterward that a couple of military attaches from the American and British Embassies flew in a plane ahead of us and were to visit the Stalingrad battlefield. Since the Russians wanted to be sure that we did not meet them accidentally at Stalingrad our flight was delayed.

V. STALINGRAD

In Stalingrad we were met by two Party leaders. One was NICOLAI (last name unknown), who is in charge of agitation

We ate in a private dining room on the second floor of the Stalingrad Hotel with NICOLAI (LNU), who is one of the Party Secretaries. We were assigned special waitresses.

In Stalingrad we stayed at a small palace which was luxuriously furnished. GAMAL NASSER of Egypt and the King of Nepal had stayed in this palace. It is surrounded by a high, brick wall. It has elaborate flower gardens, housekeepers and so forth. YURI IVANOV stayed in the palace with us. This palace is located on the outskirts of the city across the street from the outdoor stadium. I believe that it is in the western part of the city and is off the main street which leads from the Stalingrad Hotel.

A. SIGHT-SEEING IN STALINGRAD

In planning sight-seeing trips either in Stalingrad or any other city they would always find out if any foreigners were in the city and would map out the route accordingly. Incidentally, from time to time YURI IVANOV would talk to the headquarters of the CCCPSU and give them our itinerary. Also, as we were moving from city to city the Central Committee would call from Moscow in order to arrange for our transportation. It should be noted also that foreigners usually do not use railroads in the Soviet Union. While there were many curtain drawn cars in Moscow there were no more than two such cars in Stalingrad. We used such a car in Stalingrad.

NICOLAI (LNU) took us for a tour of Stalingrad. I did not recognize Stalingrad because it is completely new. However, I did recognize a few landmarks. Stalingrad runs along the bank of the Volga River. It stretches about 20 miles but it is probably no more than one mile in width. I recall the streetcar tracks which were there in 1931.

We visited the House of Architects which contains the plans for the rebuilding of the city.

We observed a row of tanks and asked NICOLAI (LNU) about them. He said that they mark the farthest point of penetration by the Germans. This is significant because the Russians held on at some points within 100 yards of the Volga.

most strategic spot because you can see the entire city from that hill. Below the hill is the Volga, steel mills and other metal factories.

We were shown a house which is being preserved as a memorial because a squad of Soviet soldiers, under Sergeant PAVLOV (phonetic), held on to this building, which was in a strategic spot, during the entire siege and prevented the Germans from getting through to the Volga.

While they have utilities they are still putting in gas mains, water mains, etc.

NICOLAI (LNU) described the battle for Stalingrad. He said that the heaviest fighting of the war was here where tens of thousands died within yards of each other and are buried in a common grave. Yet the Russians would not retreat. By holding on to this hill they were able to retain the commanding heights and also the beachhead. He described the difficulties involved in ferrying troops and supplies across the Volga. He said that the Red October factory held out but almost all the other factories caved in. The tractor factory was demolished. Nothing was left of this factory.

The next day we were taken to the headquarters of the Regional Committee. They gave us a private showing of the military film of the battle for Stalingrad. They had pictures of concentration camps the Germans had established not far from Stalingrad. We were told that they found thousands of Russians who had starved or who were tortured by the Germans. Finally, the film showed the surrender of the German General VON PAULIST (phonetic). It is noted that a photograph of NIKITA KHRUSHCHEV is in this film. The Party office is a new structure to the rear of the Hotel Stalingrad. It practically occupies an entire block.

A. THE DON-VOLGA CANAL

The next day NICOLAI (LNU) asked us if we wanted to see the Don-Volga Canal so we drove at least 20 miles and he took us to one of the locks where the Don and Volga Rivers meet. There is a large recreation area there. There is also

There was a military guard at the locks. Ships were going through the canal. We went up into the tower. A young girl about 22 years of age was in charge. She had two male assistants from the technical school in Stalingrad. She was the chief engineer and gave orders to her assistants. She explained the operations of these locks, which are the closest to Stalingrad. Each lock has a name and number.

On the way back to Stalingrad the traffic was terrible, the pedestrians unruly and we saw accidents on this very warm evening. We finally returned to the city and to our elaborate dining room in the Stalingrad Hotel.

B. VISIT TO A HYDRO-ELECTRIC POWER STATION AND THE CITY OF VOLZKS (PHONETIC)

The CCCPSU wanted us to visit Volzks, a city across the Volga River from Stalingrad. We also visited the hydro-electric power station which they are building on the Volga. We took a large ferry boat in order to visit this power station.

This electric power station is almost completed. It occupies miles of territory. They have an overhead trolley for the transportation of the material for the dam. They have cement and concrete factories right at the plant, which will produce over 2,000,000 kilowatts of electricity. We were told that 30,000 persons, mostly young people, are working on this plant. They told us that during their last election some Americans who were in Stalingrad to study election methods in the Soviet Union visited this plant. We were taken to a dugout where the turbines will be located in the dam. There is a meeting hall in this dugout with maps, slogans and so forth. We looked at the locks they are building in order to dam the Volga. The dam is just north of the city. When the dam is completed they will build a road across it. It is supposed to be bigger than Boulder Dam. Hundreds of bulldozers and all kinds of monstrous machinery, so much of it as to overwhelm one, were in operation.

Volzks is a city which was built across the river from Stalingrad and it has a population of about 40,000. It is east of the dam. It was built for the people working on the

layout and everything else, however, at present it looks like a place on a desert. It was very hot when we were there and they did not let us drink water from the tap. We had to drink boiled water or mineral water.

Volzks is called a socialist city. Why I don't know except because of its newness. They began to build it in 1949. It is still in the process of construction. There are no individual homes, just large apartment buildings. The city contains a swimming pool, theaters, saloons, auditoriums and so forth. Volzks was supposed to be a show place for us. They pay a lot of attention to the collective. There is a theater in Volzks equivalent to Orchestra Hall in Chicago.

We saw a very significant incident on the way back from Stalingrad. We were waiting in line for the ferry to take us across the Volga and back to Stalingrad. There is a lot of traffic for the electric power station. We drove onto the ferry. They really crowd the cars and trucks onto this ferry. As we got on the ferry there were two more trucks in line. One truck was a military truck. A few dozen soldiers who probably perform guard duty at this site were on this military truck. The woman who runs the ferry refused to let the army truck onto the ferry. She said that the other truck, which was working on the construction job, had priority.

An argument ensued. A Lieutenant argued with the woman. Sergeants came over and argued. We watched and listened. People joined in and yelled at the Lieutenant, "You are beginning to use harsh language and we advise you to stop". The Lieutenant apologized although he was not using harsh language. The Captain did not engage in discussion with the woman operator of the ferry. The woman made the truck back off and the civilian truck, also driven by a woman, came onto the ferry. The soldiers stayed on the ferry but asked where they would meet the truck. They probably had to walk the 20 miles to Stalingrad. I had the impression that the military would get priority. The significant thing is that they are in a hurry as far as construction jobs are concerned.

C. VISIT TO A TRACTOR FACTORY

The next day we went to the tractor factory and were

this is a completely new factory. The original factory was built by the International Harvester Corporation and is based on International Harvester patents. Hundreds of Americans were employed there for about three years after it was first built.

The plant has 15,000 employees. We were there on the 29th anniversary of the original plant. While they wanted me to participate in the ceremonies I could not for security reasons. I was given a medal to indicate that I was one of the veterans of the plant, but of course I could not bring this medal out of Russia.

Steel for the plant is supplied by a steel mill which is located a few miles away. Some casting is done in this plant but most of it is done in the big steel plant.

The Director took us through the plant. When I asked him how many tractors they produced a day he said they produced 150 heavy farm tractors per day. He said they cannot keep up with the orders but work on a round-the-clock basis. There is a loading platform and a sort of loading dock and the tractors are placed on flat cars at a railroad siding. The Director asked me to drive a tractor off the assembly line.

We saw the new housing for the workers. Everything was destroyed and rebuilt except for the apartment building where I had lived in 1931. We also went through the new palace of culture.

D. GENERAL OBSERVATIONS IN REGARD TO STALINGRAD

We visited other institutions in Stalingrad such as a trade union center where there was an exposition of Canadian art sent over by the Labor Progressive Party of Canada.

We also visited an industrial exhibit which illustrated the products of Stalingrad such as aluminum, aluminum parts of all sorts, machine parts, oil, oil drilling equipment and chemicals. There was also a special showing of the planetarium just for us and we were shown some exhibits concerning the Sputniks.

like mad.

There is a lot of travel on the Volga in the summer-time. They have built an embankment along this river. There is a port and docks for passenger ships. They have restaurants and other buildings along the river. The embankment will extend north and south. Then they will build steps one kilometer wide from the river to the strategic hill previously mentioned. These steps will replace the tanks which mark the deepest penetration of the German army. These steps will be part of a memorial to the battle for Stalingrad.

We met with more Party people and another Party Secretary. This was not the First Secretary since we were in Stalingrad when a Plenum was taking place and some of the leading Party members went to Moscow. We discussed policy and the future of Stalingrad. We always received the same old answers to the same questions. They are always unanimous. We always got the same answers to questions about the effect of decentralization, what has happened politically and how the Party functions. I asked how many Party members there are in Stalingrad and was told that there are 35,000 in the Party in the city.

There was nothing much to learn about the Party in Stalingrad except that they have a lot of young people involved in Party leadership. They have very few old-timers left. Except for NICOLAI (LNU), not one person could date back more than a half dozen years. Some may have retired from leadership because of old connections with the STALIN regime. People in strategic positions were removed. Most of the rank and file will go along with the leadership. When they sense fire coming, it does not take them long to jump on the bandwagon.

We saw very few statues of STALIN. Statues of others, such as MOLOTOV, who were at one time featured as working with LENIN, have disappeared. You will never find a photograph of TROTSKY. It is possible that they added the photograph of KHRUSHCHEV to the film on the battle for Stalingrad after the film was made.

Black bread made of rye is eaten in Russia. Since they do not raise rye around Stalingrad, we ate white or whole-

VI. SOCHI

We went by non-stop flight from Stalingrad to Sochi. The usual front seats were reserved for us in the plane. Sochi is a resort on the Black Sea. It is almost a sub-tropical city. It looks more like Los Angeles than Miami. From Sochi you can see snow-capped mountains. Our purpose in going to Sochi was to rest for five or six days. They wanted us to stay there for a month.

We were assigned to a huge palace called Leninka. It is located about ten miles from the airport. It is a two-story affair with numerous bathrooms, studies, libraries, balconies and so forth. It is supposed to be attached to a sanitarium for members of the CCCPSU. The head of the personnel at the palace was a nurse. While it was on the grounds of the sanitarium for the CCCPSU it was separated from other buildings by hundreds of yards of fences. All gates in this fence were locked. No stranger could walk into the grounds. We could not leave the grounds by ourselves. I do not know its exact location but it is not too far from the sanitarium for scientists. There is a rocky beach and a private pier with a sundeck. This pier was guarded. Since it is on the Black Sea, there are anchorages and the number of the anchorage for the sanitarium for scientists is 80. The palace we stayed at is next door to this anchorage. There is a railroad track running along the coast and trains go by from all parts of the Soviet Union to Georgia, Azerbaijan, etc. We were the only persons in addition to YURI IVANOV and the nurses who used the private pier for the palace in which we were staying.

The sanitarium for members of the Central Committee is called Trunze. I do not know its exact location except that it is also on the Black Sea, in Sochi, and in a westerly direction from where we were. It had anchorage number 76. We never visited this sanitarium although they would have had to take us there if we became ill.

One of these palaces has a tunnel so that one does not have to walk across the railroad tracks on the way to and from the beach and the pier. There are iron gates at the

where we were staying.

We were scheduled to go to the Odessa Opera, but Canadians and Americans were around. Since there was no place for us to hide in the theater we did not go.

While in Sochi we received "Pravda" by Air Mail. There was a powerful short-wave radio at Leninka. By means of this radio I learned of the execution of IMRE NAGY. I could not get any American stations on the radio. I got stations from all over the world except the United States. I got two stations of the BBC. The Russians, unlike the Chinese, never went out of their way to supply us with additional information. They keep people shut off from news of the outside world.

VII. SOME GENERAL OBSERVATIONS ON THE U.S.S.R. AND THE CPSU

A. THE COLLECTIVE

Party membership in the Soviet Union is still a little under 7,000,000. The Party pays a lot of attention to collective things. The way an individual lives does not matter. Their theaters are elaborate affairs. Instructors teach people to knit, to sew, to play chess, to fish, to hunt, etc. They have established many indoor swimming pools.

All stadiums look like the old amphitheaters in Rome. They can seat 110,000 people in the stadium in Moscow. There are three separate stadia inside the stadium. The celebration of the 40th Anniversary of the U.S.S.R. was held in one of these stadia. Every town usually constructs some elaborate structure like this where people can go to forget their individual miseries and feel that they can visit a palace once in a while.

B. ACHIEVEMENTS, PRODUCTION, STANDARD OF LIVING

The remarkable thing in Russia is the rebuilding. They have rebuilt hundreds of cities and towns. They work like ants.

States put on a boycott. Let here is this machinery. It is much better, an improvement over the original so if the United States thinks it is harming us it is crazy. The Russians said, as did the Chinese, that sometimes it is a blessing if they are compelled to produce their own products.

They would always make comparisons with machines which were first produced in the United States, Germany or England. I would listen to this and in my own mind I always discounted some of it. I am inclined to believe that they would be happy if they could buy some machines while producing their own. While they have machines, they want more in order to speed up production. They have made remarkable progress. However, there are extremes. They must produce some of the finest electronic equipment in order to launch the Sputniks. They have fine jet planes. They compare very favorably with ours. The Russians should never be underestimated.

We went to an industrial exhibit in Moscow the day before we left for the United States. In this exhibit they have all kinds of automatic machinery, the latest model cars and so forth. One of their latest model automobiles looks like a Cadillac. It is called "Chika" (phonetic--means Sea Gull). All kinds of machinery, mining equipment, tractors and other industrial equipment were on exhibit here. A lot of things I saw compared favorably with things I saw in any part of Europe.

In regard to the extremes, they will build a palace. They will put into the palace many things that we would never dream of. Every factory had a workers palace and theaters with fireproof curtains. They have many hobby rooms with instructors. They devote a lot of energy and money to little things that we don't think about.

Yet, as you walk into a bathroom you will find no improvement there. It is probably a half a century behind ours. An old Russian idea is that the bathroom does not need light. In the apartment we stayed at in Moscow each bedroom was wonderful but the bathrooms had no windows, no light and very poor plumbing. They have not yet overcome their traditions in this regard.

pier at Sochi which was made out of welded steel and aluminum but somebody had just slopped the paint on it.

They put up apartment houses in a hurry. They use more machinery than we do. Wherever you go you can see cranes putting up buildings. Some cities are a forest of cranes. They used most modern equipment. But almost before a building is finished it will look old because they do not take care of the finishing touches. Sometimes they do not have the skilled labor.

One can see these contrasts in many lines. Yet when it comes to something necessary for industry or for military purposes, this is where they watch quality. Their automobiles are of a fine quality. They will also put on an opera or a ballet which cannot be beaten in regard to the energy, money, effort, scenery and effects which they put into this artistry.

The Russians should not be underestimated in regard to production in both old and new factories. We watched assembly lines. They work. I was surprised because I was used to seeing older people in factories in Russia. Now they are mostly young people trained in new methods and new techniques. They have lost the old Russian habit of taking it easy and stalling. They reward the workers for their efforts, really reward those who produce the most with vacations, automobiles and so forth.

Each factory has in the courtyard big boards containing photographs of the heroes of production. Any young person with ambition who is not lazy and if he is endowed with some ability can go as high as he wants to provided he does not mix in politics. This is the big drawback because the Party controls everything. If he is a Party member and can choose the correct side, then he can really go places.

I watched some of the youngsters spend money for luxuries. The average worker in the United States is better dressed and lives better. They consider it paradise when they get a two and one half room apartment. They are doing away with communal kitchens and are featuring so called modern kitchens. Refrigerators, televisions, radios and so forth are no longer rarities. They are conducting a campaign about the quality of furniture.

eat a lot, by our standards. They pay little attention to diets. They eat a lot of meat, butter, milk, etc. Russia was the only country in Europe where I saw them place so much bread on the table that it was wasted. In Switzerland, France and England they measured every little roll, even in the fanciest restaurants. You cannot get cream in England. You can get all the cream you want in Russia.

The point is that compared to their old standards they have food and they consume more than most Europeans. It is recognized that the low paid unskilled worker cannot always get these things. Yet rent is no problem. Rent is only a fraction of their salary or a maximum of 5%, including utilities. They have no medical bills. Each institution has its own clinic, hospital or dispensary. There are no doctor bills. Drugs are sold for practically the cost of the container.

ALEXAI GRECHENCO said that the people in Russia could have more clothes, more autos and so forth but Russia is putting the money into machinery and supplies other countries with machinery. He said the people will get more automobiles eventually. Presently, they are building trucks for use in industry.

The standard of living in Russia is now higher than it ever was. It is really high for the section of the population including technicians, architects, skilled workers, writers and the industrious collective farmer.

During STALIN's period the Russians were always suspicious of foreigners. Now they say very openly that if they can learn something from a foreigner they are going to learn. They feel that STALIN's isolation of Russia held them back. KHRUSHCHEV, at the Eastern Germany Communist Party Congress, made an appeal for technicians from the West, particularly Germany. He told the East Germans that Russia would pay them the highest wages if they would come to Russia. He promised not to ask them their political attitudes. He also told the East German Communist Party not to bother scientists and engineers about their political views since they are still making up their minds.

So the Russians are ready to hire foreigners, employ

is ballpoint pens.

Another thing I noticed, they have a labor shortage but they use their army. Wherever I travelled I saw sections of the army building railroads. They use the army personnel as real laborers. I also saw army personnel fixing telephone lines. The Russians utilize the millions they have in uniforms to perform some form of labor. I don't know about their labor camps. The Chinese admitted that they still have them. The Russians do not talk about such things.

C. ATTITUDE AND MANNERS OF THE PEOPLE

I got the feeling that the people in Russia are worried about international tensions. They would like peace more than anything else. You hardly run into a family that did not suffer some casualties in World War II. We listened to many stories about the war. On the other hand, the Russians spoiled as yet. When I say that they are not spoiled I mean that if they had to go through some ordeal they might be able to withstand it better than our youth could. They have not been pampered yet. They have not been spoiled by luxuries as yet even though they are started in this direction. They have not yet achieved the goal of providing a standard of living which would be similar to that of the average American family. It is still much more primitive than that.

^{USSR}
ALEXAI GRENCHENCO is probably being groomed for leadership. He is very outspoken. He brought his wife to the the with us on three occasions. We did not see the wives of most of the Party people with whom we had contact. There is usually no social contacts with the families. The various official ceremonies and banquets which were announced in the Soviet press while I was in Russia would list the dignitaries and the visitors. Never was the wife of a leader of the CPSU announced as being in attendance. The wives do not attend formal ceremonies. My wife was not invited to political discussions. Except for political discussions in a factory, the only time she was present during a political discussion was at the meeting with the Party Secretary in Leningrad.

The Russians practice manners to a point where one is embarrassed. Etiquette is very important to them. For

should be noted that there is only one woman in the CCCPSU.

D. SECURITY MEASURES TAKEN IN OUR BEHALF

In addition to the routine at the apartment in Moscow, the Russians always provided security measures for us. We always sat in some private room at air terminals. They would not let us on a plane if there were any Westerners on it. They would reserve seats for us on every plane. Practically everything we did we went through a security routine except for a few movies which we attended in the outlying districts of Moscow where only Russians go.

The various Party organizations have housing set aside for Communists who require security precautions or for dignitaries who want privacy. Except in Leningrad, there are special apartments and we would stay in these apartments. If it was not possible to arrange eating within the premises they would arrange for us to eat under secure conditions in some dining room, private or public, that is used only by the leadership of the Party.

In Leningrad we stayed in a place which is used only by members of the leadership of the Party in that district. We ate in Smolny, the headquarters of the entire Leningrad Party organization. Within Smolny they had a private dining room for the leadership. This entire room was kept open for us even during office hours and on Saturday and Sunday. They would just cook for us and those accompanying us. Other housing where we stayed under security conditions has been previously described.

E. OBSERVATIONS IN REGARD TO AIRCRAFT

The Russians have many commercial jet airplanes. For example, there were never less than a dozen jets around the Moscow airport when we were there. On the trip from Moscow to Peking our jet airliner stopped at Omsk in Siberia. Fourteen jet airliners and 67 migs were observed at Omsk. At Irkutsk I saw 11 jet airliners. There were 4 Russian jet airliners in Peking. Jet airliners were also observed at Kiev. At Kiev and at other airports military aircraft surrounded the field.

on these jet airliners. Most signs on all planes prepares the food on the planes. Most signs on all planes are in both Russian and English. The Czechs are also using jet airliners between Moscow and Prague.

When we went through the mining and industrial areas in the Ukraine we visited the recently established city of Stalino. It was surrounded by migs and missile installations. Near the large factories in the outlying areas there are plenty of migs lined up in adjacent fields. I do not know whether or not these are late models but many of them took off from dirt or clay runways.

CREATE 3/30/81
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UTMOST CARE MUST BE USED IN HANDLING THE FOLLOWING INFORMATION IN ORDER TO PROTECT THE IDENTITY OF THE INFORMANTS. (U) (S)

The information in the following pages was furnished by CG 5824-S* during the period between July 22, 1958 and August 1, 1958, to SA JOHN E. KEATING and Stenographer [redacted]. This third letter contains details of that part of the Solo operation dealing with discussions and methods of transmittal of funds from the CPSU to the CPUSA. (S) (U)

- (2) - Bureau (REGISTERED)
 1 - New York (REGISTERED) (U)
 1 - 100-134637 (#7-5) (S)
 1 - Chicago

[JEK/jcn] (S) (U)
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CLASS. & EXT. BY SP-1 gmk/jk 5/25/79
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 DATE OF REVIEW 5/23/89

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 ENCLOSURE

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EX-133

100-423071-72 (U)
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meeting with leading members of the Central Committee of the Communist Party of the Soviet Union.

Before I left Moscow for a tour of Russia, I met with B. N. PONOMAREV, head of the International Department of the CCCPSU, twice and we discussed finances in great detail. It was at the first meeting that I requested \$217,000.00 for the CPUSA. At the second meeting with only NICOLAI DIMITROVITCH, head of the North and South American Section of the International Department of the CCCPSU, present, PONOMAREV said that he would make the total a sum of \$200,000.00 for the CPUSA for the period from the present until the end of 1958 at which time it could be discussed again.

PONOMAREV asked me how the CPUSA would handle this money on the books of the Party. He also asked for suggestions about getting the money to the United States. He said that he would not send it through the Soviet Embassy or diplomatic personnel. Parenthetically speaking, this was for the record. He asked me if I knew how the money from Russia had come into the United States. He asked me if I knew who used to receive it. I told him that I knew of only one person--ALEXANDER TRACHTENBERG. He replied, you are right, TRACHTENBERG is the only one. He said that thus far they have only sent money through TRACHTENBERG.

I told PONOMAREV that TRACHTENBERG is becoming an old man. PONOMAREV said that he realized this and he mentioned WILLIAM WEINER and said that he did not know what WEINER did with some of the money he received in Russia. PONOMAREV stated that he knows that some things went wrong when WEINER died.

I was hard put to make any suggestions in regard to the transmittal of funds which would at the same time guarantee that we would have control of the flow of these funds. At this time, however, I told him that while we were talking our people in the CPUSA were starving. I asked him for an emergency sum. This is when he told me that they had sent \$10,000.00 to TRACHTENBERG after I had been in Moscow only one week. This was the result of preliminary discussions in my apartment about the dire financial situation in the CPUSA.

DECLASSIFIED BY SP4 BJA-MJS
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DATE OF REVIEW 5/22/89

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100-468091-72

he would handle part of this money. I did this because I felt that we would know what money comes through TIM BUCK while we might not know about money coming through TRACHTENBERG. PONOMAREV said, all right we will send at least part of it through TIM BUCK, since Canada is the best means of sending confidential communications from the CPSU to the CPUSA.

The Russians also wanted some new names of persons who can be trusted, people who could receive money legitimately in some way or another. I told them that I would talk this over with the leadership of the CPUSA but that I am sure that I would be wasting my time. It should be noted that I am also certain that DENNIS has no answer for this problem.

I also told PONOMAREV a little about the reserve fund of the CPUSA and said that this money from Russia would be kept in the reserve fund or would be attributed to the fund drive of the CPUSA. (S) (u)

I learned that one must be careful that business matters are not mixed with politics. The Russians have more respect for you if you are a political person. They are afraid that someone may get a position in the Party and utilize this position to reach business agreements or to make money. They have no respect for such people. They would rather discuss general politics and problems of leadership. You cannot go into details in regard to finances. They did not want to go into an accounting in regard to my fare for the trip to and from Russia. They told me to straighten it out with the CPUSA. DENNIS has told ISADORE WOPSY to write off or to replace the \$1500.00 which had been given to me as a loan from the reserve fund of the CPUSA. u3

DISCUSSIONS WITH EUGENE DENNIS AND ALEXANDER TRACHTENBERG
IN NEW YORK CITY DURING THE WEEK OF 7/20/58 CONCERNING FUNDS
FROM THE CPSU

EUGENE DENNIS told me on July 23, 1958, that \$1500.00 of the \$10,000.00 which came from Russia through TRACHTENBERG was given to JOHN ABT as legal fees. ABT wouldn't u15

It will be recalled that we know that \$10,000.00 was given to TIM BUCK and that \$4000.00 of this sum was delivered in New York City by ELIZABETH MASCOLO. She is afraid to carry more than that amount at any one time since \$10,000.00 in cash requires a lot of explaining in the event that she is questioned by the police or some federal agency.

According to both EUGENE DENNIS and ALEXANDER TRACHTENBERG, a large amount of money, including one sum of \$6000.00, has already gone into Canada from Russia, and by August 1, 1958, there was supposed to be tens of thousands of dollars in Canada from Russia for the CPUSA.

The original agreement with TIM BUCK was that one-fourth of any money from the CPSU to the CPUSA could come through him. DENNIS and TRACHTENBERG want me to try to arrange for most of the money to come through Canada. Not only TRACHTENBERG and DENNIS but perhaps even the Russians would like to see more of the money come to the United States through Canada. (S) (U)

I have to organize the transmittal of the funds from Canada to New York. TIM BUCK may object to such large sums coming through him and DENNIS and TRACHTENBERG do not want ELIZABETH MASCOLO to come directly to New York City with the money. It will be necessary for the CPUSA to pay for the transportation of TIM BUCK from Toronto to Ottawa and for the transportation of the person handling the money from Canada to the United States.

When I told DENNIS that he should have control of these funds, he appointed me as his deputy and has given TRACHTENBERG instructions that he is to inform me every time any money comes into this country from Russia and I am supposed to keep the record. Also, I have to assume the responsibility for getting this money exchanged. Thus, DENNIS has issued the order that the money, all of it, is to pass through me.

I am to inform TRACHTENBERG when any money is to arrive in New York City from Canada so that someone will be available to start exchanging it. According to my brother in

CPUSA RESERVE FUND

ISADORE WOFSY asked me during the week of July 20, 1958, when I was going to go over his books so that he could be relieved. He said that he has diabetes and ulcers. He also stated that he wants money to go into business. Thus, I planned to go to Detroit on my way back from Canada in order to see HELEN WINTER so that we can go over WOFSY's books in order to relieve him of his responsibilities in regard to the reserve fund. *over*

No one is presently slated to take WOFSY's place. My brother and I talked about the reserve fund. We believe that LEM HARRIS would be the best person to handle the reserve fund for our purposes. He tells us everything. It is best that it be some person with whom we have contact. This is an off-hand recommendation but I think that DENNIS will agree. My brother couldn't take this job because they are holding him for other tasks. *(u)* *(8)*

I do not know whether the CPUSA will have any answers for PONOMAREV in regard to the transmittal of funds through persons other than TRACHTENBERG. If DENNIS doesn't tell BOB THOMPSON about the money being received from Russia it will be pretty rough trying to make suggestions in this regard. If DENNIS tells THOMPSON we might be able to solve this problem more easily. *U.S.*

DRS
LILLIAN GREEN, WIFE OF GIL GREEN *N.Y.*

I heard in China, Moscow and in New York that there is a story going around that LIL GREEN is a Right-Winger. Accompanying this story was one that [] is a Right-Winger and is a sympathizer of JOHN GATES. A similar story is that IRVING POTASH's [] have deserted him and will have nothing to do with him. I told the Russians and the *U.S.*

for GIL GREEN's book, "The Enemy Forgotten." He said that he had heard that LIL GREEN is not sympathetic to the Party. I told him that I did not know but that I would check on it. I told him that I knew that LIL GREEN was planning to send [redacted] to New York City in order that she might go to school there and that LIL was expecting some support from the Party. (u) (S)

b6
b7C

When I check this story about LIL GREEN, she will probably be given either Party funds or the money received as royalties for GIL GREEN's book provided that the story about her is not as bad as they say it is.

~~SECRET~~

IS-C
SA-40
ISA-50

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

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Reference is made to previous communications concerning vacation of captioned individual in Maine and his request that he be joined there by CG 5824-S* for further discussions relating to the Solo operation. (U)

By letter dated 8-29-58 captioned "Solo, IS-C," the Chicago Office has furnished information pertaining to discussions between Dennis and CG 5824-S* in Maine during the period 8-16 through 18-58. CG 5824-S* advised that he and his brother, NY 694-S*, met Dennis in Stonington, Maine, on the morning of 8-15-58. Dennis stated that he was going to Bar Harbor and suggested that the informants follow him to a picnic grove where plans could be mapped out for the next few days. Informants followed him to a small state park where they talked mostly about inconsequential matters. (U)

Upon completion of this talk, Dennis and his wife got into their automobile and at this point an incident occurred which aroused Dennis' suspicions. The following two paragraphs as taken from the informant's report set forth the details of this incident: (U)

"Dennis was driving a rented Chevrolet, with a New York license. They got into this car and as Dennis left the picnic area, going North I believe, another car dashed into the picnic grounds. The driver was a young man, about 27 or 28 years of age. He glanced at me and my brother and then dashed out and went in the same direction as Dennis. Later, we learned that Dennis noticed this. Since Dennis is a very careful person, it worried him and he refused to engage in discussions on Saturday night. I am not saying that this incident had anything to do with us or with Dennis or with anything else. Perhaps it was pure coincidence that this car dashed in, turned around and followed Dennis. (U)

- 1 - New York (100-8057) (For Information)
- 1 - Chicago (For Information)

1 - [100-428091 (Solo)] (U)

NOT RECORDED
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Gandy _____

ORIGINAL COPY FILED IN 100-15877-63

"We drove to Ellsworth and obtained reservations by telephone at Hinckley's Motel (phonetic), which is just North of Bar Harbor. After checking in at the motel, we drove to the Ocean Drive Motel, where Dennis said he would be staying. It is at the other side of Bar Harbor and about seven miles from where we were staying. Because of the incident at Stonington, Dennis suggested that perhaps we should just have a social evening, going out to dinner, etc., and not engage in any discussions that night. By our gestures and discussion, we minimized the incident at Stonington, but agreed to Dennis' suggestion." \$ (u)

The Boston Office is instructed to immediately advise the Bureau concerning what coverage, if any, was afforded Dennis while on his vacation in Maine. Particularly, the Bureau desires to know whether the unidentified driver of the car which followed Dennis from the picnic grounds was an Agent of the Boston Office. In the event any Bureau personnel was involved in this incident, the Bureau desires complete explanations from such personnel regarding this incident as well as any recommendations you may have relative to administrative action. \$ (u)

SECRET

Utmost care must be used in handling the following information in order to protect the identity of the informants.

The information on the following pages was furnished by CG 5824-S* during the period between July 22, 1958, and August 1, 1958, to SA JOHN E. KEATING and Stenographer

[redacted] This information contains details of that part of the Solo operation from the time CG 5824-S* and CG 5853-S obtained floating visas in Brussels, Belgium, through preliminary meetings with the representatives of the International Department of the Central Committee of the Communist Party of the Soviet Union prior to the formal meetings with the leaders of the CCCPSU.

Subsequent letters will deal separately with the meetings with leaders of the CCCPSU, the trip through Russia, meetings with the leadership of the Communist Party of China, the discussions with JOHN WILLIAMSON in London, the meeting with a secretary of the Komsomol, information pertaining to individuals, information concerning the transmission of funds from the Communist Party, SU, to the Communist Party, USA, etc.

ENG

- ② - Bureau (RM)
 - 1 - New York (100-134637, Solo 7-5) (RM)
 - 1 - Chicago
- JEK:LMA
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ENCLOSURE

EX. - 133

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100-428091-73
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to Paris, France. From Paris we proceeded to Brussels and went to the Czechoslovakian Embassy, which is next door to the American Embassy. We talked with a translator and told him that two floating visas were supposed to be ready for us. After a search he stated that there were no visas for us. When we insisted that there had to be, he telephoned Prague and was told that no visas had been made for the names we were using. After much insistence that these visas had to be there and after an hour and a half of anxiety, the visas were located with the last name spelled KAMP instead of CAMP. Once the visas had been located the entire atmosphere changed.

We obtained tickets for Prague, Czechoslovakia, on the Sabina Airlines and proceeded to that city. We located the ground hostess and told her that we were guests of the CCCPSU and asked if she would arrange transportation to Moscow for us. The telegram from Brussels to Prague reflecting that we were on our way arrived in Prague after we did so the representative of the Soviet Government was not there to meet us. In a few moments he arrived. He was meeting a British Trade Union delegation which was going to Russia for May Day.

The representative of the U.S.S.R. took us to a room for privacy and contacted Moscow by telephone. After about one and a half hours two men came running into the room and made out the floating visas for Russia. The one who made out the visas arrived in such a hurry that he forgot his credentials of credit and money but was able to get plane tickets for us. A little difficulty was encountered with a Czechoslovakian official since the Czechoslovakian visa provided for a two week stay. However, it was explained to him that this was merely a transit visa. We were in Prague only about two hours and proceeded by jet airliner from Prague to Moscow.

II. RECEPTION IN MOSCOW, RUSSIA

We arrived in Moscow, Russia, on the evening of April 29, 1958. A security officer boarded the plane and took our passports. We were the last persons to leave the

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- 1 -

ENCLOSURE

glasses came over and said hello to us. This man is NICOLAI DIMITROVITCH (spelling phonetic and DIMITROVITCH may be either the middle or the last name). DIMITROVITCH has just become the head of the North and South American Section of the International Department of the Central Committee of the CPSU. He succeeded one KORIANOV (phonetic) who is now in charge of a ten man delegation from Russia to the new international Communist magazine "For Peace and Democracy" ^{CZECH} being published in Prague. The first issue is due on or about September 1, 1958. DIMITROVITCH works under B. N. PONOMAREV, who is the head of the International Department of the CCCPSU and a member of the CCCPSU.

DIMITROVITCH stated that a cablegram announcing our arrival had just been received. He asked for the baggage checks and gave them to the chauffeur who was with him. The baggage was placed into the auto without inspection. This auto had curtains on the back windows and is an auto of the CCCPSU. It had a dark license plate and the number is MU 22-98. We were subsequently to use this same automobile 90% of the time we were in Moscow. A cardboard duplicate of this number was sometimes placed in the windshield to further identify it as an automobile of the CCCPSU. This was a Russian made, seven passenger automobile.

III. LOCATION AND DESCRIPTION OF APARTMENT

We were driven to a nine story apartment building where we were to live all the time we were in Moscow. It is believed that this apartment building is utilized for persons whose identity must be protected or who must live in Moscow under security conditions. While the address of this apartment building is Number 8 Gorki Street, it faces Sovietskaya (phonetic) Square. It is near the Moscow Soviet which is a red building. It is also near the Marx-Engels-Lenin Institute. It is also near a large statue of YURI "The Long Handed", the founder of Moscow.

The apartment building is divided by an archway. It has only a rear entrance. There are two elevators, a passenger elevator and a freight elevator. These elevators are guarded by women who sit in an enclosed glass structure.

We were taken to apartment number 16 on the sixth floor. It is a seven room apartment with three bedrooms, a study, a dining room, a kitchen and bath. The apartment is most elegantly furnished and contains everything a guest might need, including shaving equipment, tooth brush, pajamas, etc. The doors are padded and the walls are soundproof. The housekeeper for the apartment lives in the apartment all the time. She does the cleaning, takes care of the laundry, makes the beds, etc. A cook arrives each morning to prepare the meals.

The apartment is well stocked with staple foods, wine, vodka, brandy, mineral water, oranges and other fruit. There is a television set in the apartment. The study has a short and long wave radio and a record player.

NICOLAI came into the apartment with us and said that this is an apartment of the Central Committee and that this is where we would live. He had supper with us. The meal was practically a banquet, but was only the beginning of several such meals. The cook, who is about 30 years of age, had attended school to learn how to prepare various foreign dishes.

NICOLAI did not give us any Russian money. He said that we should ask for anything we wanted and it would be provided. He said that there was no need for money since we should not be seen on the streets, and the fact that we would have no money would help us to maintain our security. After eating with us, NICOLAI left the apartment.

The study was well stocked with books and current publications in the English, French, German, Spanish and Italian languages. At my request, the "New York Times" or the European edition of either the "New York Times" or the "New York Herald Tribune" were brought to me from time to time. We also received "Pravda" several days a week and the "Moscow News", which is in English and is published on Wednesdays and Saturdays. We were also furnished with "News Week" from time to time. It was impossible, however, to obtain any American or British broadcasts on the short wave

Upon our return from China in July, the housekeeper told us that four persons from Western Germany had occupied the apartment while we were on the trip to China. On the last day before we left Russia to return to the United States we accidentally observed that the housekeeper had a photograph of JOSEPH STALIN in her room.

IV. FIRST DAY IN MOSCOW, APRIL 30, 1958

The usual routine was breakfast at 9:00 AM, dinner at 2:00 PM and supper at 9:00 PM or later. *APPROX. 1918-1923*

On April 30, 1958, ALEXAI ANDREOVICH GRECHENCO (all spellings phonetic and the last name is the Russian word for buckwheat) appeared at the apartment after breakfast. He is about 35 to 40 years of age and is very similar in appearance to JOHN WILLIAMSON. He works in the North and South American Section of the International Department of the CCCPSU under NICOLAI. Subsequently he met with us for the next three or four days. At the end of this time he left Moscow for the United States as part of the Russian "Student Editors Delegation". He returned to Moscow in June and was with us from time to time after that. *U.S. 4.5.*

ALEXAI asked us what we would enjoy in the way of entertainment and we asked if it would be possible to get tickets for the May Day celebration.

On the same morning NICOLAI also appeared at the apartment. Both stated that they were happy to see us and that the leadership of the CCCPSU thanks the CP, USA, for finally finding ways of making direct contact.

I asked if they had received any of the material pertaining to the CP, USA, which I had sent through Progress Books in Toronto, Canada. They stated that a few items had been received, such as the resolutions on JOHN GATES, the main resolution from the February meeting of the National Committee, and a letter on the peace movement signed by ARNOLD JOHNSON. I told them that I had not carried anything published by the CP, USA, with me but did carry some clippings and material from the United States dealing with the political, economic and international situations.

for the Central Committee is never misdirected.

B. APPROX 1908

On the evening of April 30, 1958, we were officially welcomed to the Soviet Union at a semi-formal dinner in our apartment. In addition to NICOLAI and ALEXAI, V. P. TERESHKIN was present. He is the chief deputy to B. N. PONOMAREV. He is about 50 years of age, 5' 8" in height and has a heavy build. His main hobby is fishing. He was well dressed. He is very jolly. While he does not understand English, both NICOLAI and ALEXAI understand English and speak it fairly well. 12.5-1

All three stressed the importance of the Communist Party of the United States. They stated that the Soviet Party is glad that the American CP was able to defeat the revisionists. In fact, this is the best news they have had in a long time. In a general discussion they stated that they do not underestimate the American industrial capacity. All present drank toasts to proletarian internationalism, the health of the leadership of the CPSU and the leadership of the CP, USA. TERESHKIN made a toast to the day when the United States will arrive at Communism at the same time that Russia does. In explaining this last toast, TERESHKIN stated that because of the industrial development in the United States, once the Communists get rid of the bourgeoisie, then United States Communism can catch up with Russia, which is now in the first stages of Communism. It is noted that this was a paraphrasing of statements by NIKITA KHRUSHCHEV that the grandchildren of adults in the United States will see Communism in the United States.

It was observed during this first semi-formal gathering that the Russians are very rigid on protocol, operating like a military echelon. During the discussions the persons with lower ranks will remain silent unless asked to speak.

V. MAY DAY IN MOSCOW

On the morning of May 1, 1958, ALEXAI appeared at the apartment with SEMA KUZNETSOV (means SMITH). She

12.5-1
B. APPROX 1900

ALEXAI stated that the Central Committee had honored our request for tickets to the May Day parade. He handed us tickets number 306 and 307. We asked for directions to the Red Square and were told that we would have to pass through three or four guards before getting to our seats and that there was a chance that persons from the various diplomatic corps might see us. There was no way possible to get us into the Red Square secretly. After learning this we said that it was our decision not to attend the parade because of the need for security. They stated that they were happy with this most correct decision and that actually we could see the parade better on television. It is believed that this convinced them that we were in Moscow for serious business and not for a pleasure trip.

In addition to watching the parade on television, we could see part of it from our windows. In the late afternoon SEMA and ALEXAI went with us to mingle in the crowd and to show us the shops and markets. The main slogans carried on banners in the parade and banners decorating the city dealt with peace and peace for the world. One slogan urged the carrying out of decisions of the CCCPSU to surpass the United States in production. Another slogan was "Long Live the Glorious Party of the Soviet Union". Another slogan was "Long Live the Party Which is Leading Us to Communism, the Dawn of Humanity". All slogans dealt with the supporting of the leadership and the issue of peace. There were none of the usual "Down with Imperialism" slogans.

I was convinced from the first days in Moscow, and particularly after viewing the May Day parade, that the Russians have destroyed the cult of the individual. There were no photographs of STALIN in the parade but there were photographs of LENIN or LENIN and MARX together. There was no single photograph of NIKITA KHRUSHCHEV. When his photograph appeared it was with other members of the Presidium and such photographs were few in number. The members of the Presidium are listed alphabetically. I did not observe a photograph or a statue of STALIN in Moscow. I did see one mural of STALIN in a subway. Thus, up to a point, the Russians have destroyed the significance of STALIN. They have almost eradicated his name.

MALINOVSKY stated that Russia is preparing for peace but is also prepared to meet any aggressors. The guest of the day was NASSER of Egypt.

On the evening of May 1, 1958, we were taken for a drive through the city. There were fireworks and dancing in the street. Many lights decorated the city similar to the lighting in the United States during the Christmas season.

VI. MAY 2, 1958

Since May 2 is also a holiday in Moscow, NICOLAI, ALEXAI and SEMA appeared at the apartment and said that we should take it easy on that day. They remained for supper.

ALEXAI suggested that I probably had a number of questions to raise with the Central Committee of the CPSU. He said that these questions should be framed as one CP dealing with another CP. Thus, I should formulate in writing those questions the American CP wants to raise with the Secretariat or Presidium or Central Committee of the CPSU. They also asked, "Would each of you please give us a biography?"

That evening they arrived to take us to the ballet.

VII. ACTIVITY PRIOR TO THE FORMAL MEETINGS WITH THE LEADERSHIP OF THE CCCPSU

YURI SERGEEVITCH IVANOV
Several days were spent in preparing biographies, voluminous material on the CP, USA, and current economic conditions in the United States and the questions to be presented to the CPSU on behalf of the CP, USA. During these days discussions continued in the apartment with NICOLAI, SEMA and YURI SERGEOVITCH IVANOV (phonetic), who replaced ALEXAI when the latter went to the United States. During this time I was also supplied with translations from the Government Information Service and translations of interesting articles in the Russian newspapers and magazines. The "London Daily Worker", which can be purchased in Moscow and throughout Russia, was also furnished to me. Occasionally,

YURI SERGEOVITCH IVANOV is a translator in the International Department of the CCCPSU and it is believed that he also serves as a security officer. He speaks English with a British accent and at first was very formal. He carries the credentials of the CCCPSU, which open all doors at all times. He said that his mother is not a member of the CPSU. His father was a high ranking military officer who was killed during World War II. He is married and has a daughter four years of age. He accompanied us on our tour of Russia.

YURI's mother developed methods for the teaching of deaf and dumb children and later became an inspector of schools for the Russian diplomatic personnel. He lived with her in New Zealand where he learned English. Later, they were in China and passed through the United States from San Francisco to New York City after World War II. He has also been in England. He and his wife are both graduates of the Academy of Languages, the leading language school in Russia.

YURI is trained to perfection in speech, dress, manners, etc. He was a "boy genius" and is well educated. He can recite poetry at length and knows most of the songs from "My Fair Lady". Except for the fields of art and music he does not tolerate any criticism of Russian achievements. He is not as developed politically as are NICOLAI and ALEXAI. Both the wife of ALEXAI and the wife of NICOLAI are studying English, which is the number one language in Russia, next to Russian.

B. BIOGRAPHIES AND VERIFICATION OF IDENTITIES THROUGH ALEXANDER TRACHTENBERG

Both my wife and I prepared biographies. Hers was much briefer than mine. She used as a maiden name "SCHLEIS" and did not list her brother [] who is with U. S. Army Intelligence in Germany. With regard to her other brothers, she did not say that any of them are in the CP. She listed her employment as a comptometer operator to indicate that she is a member of the working class. She indicated that she has been a member of the CP, USA, since 1931.

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International Secretary, that I am on the Foreign Affairs Committee, that I am on the National Appeals Commission, and that I am on the Auditing Committee of the CP, USA. While they accepted my biography and carried on discussions with me, to make sure that they did not make a mistake in identity or to be certain that someone had not killed me and assumed my identity, they contacted ALEXANDER TRACHTENBERG through one of their chief agents in New York in order to verify that I was who I said I was. Therefore, TRACHTENBERG knew that I was in Russia only a couple of weeks after my arrival there.

TRACHTENBERG asked my brother in New York where I was and he was correctly told that I was in Canada. Upon receiving this inquiry concerning me, TRACHTENBERG also went to see EUGENE DENNIS and DENNIS confirmed the fact that I was in Moscow.

TRACHTENBERG told me and my brother in New York City on Friday, July 25, 1958, that "One of the big, important guys checked to verify that it was you who was in Russia." I learned in Moscow that the Russians deal through TRACHTENBERG in regard to finances for the CP, USA.

It is my opinion that the person representing the CPSU who is in contact with ALEXANDER TRACHTENBERG is most likely someone in the Russian delegation to the United Nations. TRACHTENBERG said that he is a most important person with an important position. He has a very responsible position, whatever he is doing. TRACHTENBERG said that he has been in touch with the Russians in one form or another for about 38 years. He stated that he sees Russians from time to time and that one of the guys he is in touch with knows all about the CP, USA, including the identities of every Section Organizer.

I told TRACHTENBERG that the Russians may have a pretty good knowledge of the American CP, but that they do not know every Section Organizer. TRACHTENBERG gives the Russians information almost immediately after every important meeting of the CP, USA. The Russians want this information from many sources. I am sure that they will probably continue

Every day I was in Russia someone from the International Department of the CCCPSU was in touch with me. Sometimes it would be one person, often it would be two or three persons. They would not only see that I received all the newspapers printed in Russian and whatever was published in English, but they would hold discussions with me. They would talk chiefly about political problems. If some important political article would appear in a magazine only in Russian they would send YURI SERGEOVITCH IVANOV to sit with me for hours at a time just translating this material for me.

The most important political problem was the Seventh Congress of the League of Yugoslav Communists. They were very much concerned over whether or not I understood what was happening in Yugoslavia. They wanted to know how or what they could send to the United States, without violating any security, in the way of material that would help the American CP to understand the struggle with TITO and the Yugoslavs. NICOLAI, ALEXAI and SEMA KUZNETSOV engaged in sessions with me in my apartment concerning this.

Much emphasis was placed on Yugoslavia at the beginning of these discussions. They showed me the most confidential documents which are circulating within the CPSU on this particular question. They would read them to me but they would take these documents with them. The Russians are really convinced that TITO is an enemy and that he has some understanding with Secretary of State JOHN FOSTER DULLES and that he also has some understanding with the Social Democratic Parties in England, Norway, Denmark, Italy and France. Especially with France since he has been fighting with the French Communist Party also. They made allusions that TITO may have been a traitor all the time.

Yugo
The Russians gave considerable time to the "war" with TITO. Next to their fight against imperialism and the so called struggle for peace, this is the most important question for them. This is why there has been a renewal of the fight against revisionism. If TITO would have gone

that TITO's betrayal goes back a long way. They blame it first of all on the history of Yugoslavia and its factionalism. They say that when there is factionalism the enemy is able to infiltrate. Then they go into the war situation and say that TITO had representatives from the British Government and contact with WINSTON CHURCHILL through liaison personnel.

Not only did the Russians disown the program which was adopted by the Yugoslav Communists, but they are even more angry regarding the speeches made at and subsequent to the Seventh Congress of the League of Yugoslav Communists. They blame KARDEJL (phonetic), Vice Chairman and theoretical leader of the Yugoslav Communists. They refer to the speeches in which TITO praised the aid which Yugoslavia received from the United States on a level above that of the aid Yugoslavia received from the Soviet Union. In other words, TITO praised the United States for the disinterested aid given to Yugoslavia with no strings attached and alluded, as did most of the Yugoslav leaders in their speeches at this Seventh Congress, to the pressures from the Soviet side when they gave aid or to the strings attached by the Soviet Government when they gave aid to Yugoslavia.

One other important thing that the Russians become enraged about is the idea of big power hegemony advanced by Yugoslavia with TITO as the moving force. According to Yugoslavia, the following is the meaning of big power hegemony: When Yugoslavia considers big powers it limits them to the United States and Russia. Yugoslavia says that these big powers are just looking out for their own interests and the little nations get caught in the squeeze as these powers contend for better positions in diplomacy or other relationships in the international arena.

Why should this Yugoslav concept of big power hegemony enrage the Russians? They interpret this to mean that first of all TITO puts the United States in the same category with the Soviet Union or the Socialist camp. Since the Soviet Union is supposed to be the apostle of peace and American imperialism is supposed to be the apostle of war, how and why does TITO equate them? This idea of big power

Another thing which enrages them and makes them very angry is that TITO places stress on the idea of many roads to Socialism. TITO emphasizes, as does the program of the League of Yugoslav Communists and the other Communist leaders in Yugoslavia, that while the Soviet Union was the pioneer subsequently many other countries have established Socialism or at least the beginning of Socialism. Besides, Russia was a backward country at the time the dictatorship of the proletariat was established. Consequently, some of this backwardness was inherited, not only in the economy but also in the political structure.

Furthermore, TITO states that in the capitalist countries the state is playing more and more of a role in the economy because of the world tensions since World War II. Thus, elements of Socialism represented in forms of state capitalism are coming into being and this state capitalism has within it the groundwork or elements of Socialism.

The biggest sin of all which the Russians charge to TITO is that he says that the Communists should not claim a monopoly on leading the country or the people to Socialism. According to the Russians, this means that TITO denies the most important principle of Marxism-Leninism and that is the need for a vanguard CP. Only this vanguard CP can lead the working class through the dictatorship of the proletariat to Socialism.

They spent days with me on this question of TITO. Whoever I talked with would always come back to TITO and Yugoslavia. The Russians were supposed to give TITO a loan and were supposed to ship to Yugoslavia certain supplies and parts for factories which had been built in Yugoslavia by the Russians. However, the Russians have been holding up these shipments. NICOLAI stated that Russia gave aluminum to Yugoslavia and all that the Russians received in exchange was pottery and prunes. Therefore, let TITO sell pottery and prunes to the United States and get his aluminum from the United States.

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relations with TITO. The CP of Bulgaria had a congress which NIKITA KHRUSHCHEV attended and at which he made some very sharp remarks about TITO. Many Communist Parties were invited to this congress. Representatives of the CP of Great Britain and the Labor Progressive Party of Canada were present. The point is that ordinarily hardly any other CP would normally attend the Congress of the CP of Bulgaria, but at this congress many CPs were represented. Bulgaria plays a strategic role in regard to Yugoslavia. The Russians felt that there might be a lot of pressure from Yugoslavia or Bulgaria and wanted the CP of Bulgaria to know that other CPs were behind them by getting other CPs to pass resolutions against TITO.

Every day for about two months, in one or another Russian newspaper, but chiefly in "Pravda", an article would appear which had been written by a leading figure in another CP. These articles dealt with the Seventh Congress of the League of Yugoslav Communists. Only the CP, USA, did not have such an article and thus they eagerly picked up a statement by EUGENE DENNIS on Yugoslavia and noted it in the Russian press. Some newspapers reprinted DENNIS' statement which appeared in "The Worker". The Chinese printed the full text of a statement by DENNIS.

In addition to using the Congress of the CP of Bulgaria as a platform against TITO, the Russians also had NIKITA KHRUSHCHEV at the Congress of the CP of Eastern Germany and also used it as a platform for mobilization against TITO. Just as important was the Warsaw Pact Convention. Although only the industrial and later the international decisions were announced they also discussed TITO and condemned him.

The reason I placed stress on this is because it is almost an obsession with the Russians. They asked me if I knew how the people in the CP, USA, will react to this. They asked if I knew whether JOHN GATES has contact with the Yugoslavians. They wanted to know what STEVE NELSON will do in view of this situation since he is a Yugoslavian.

After they read the confidential material of the Central Committee in regard to TITO, they told me that they had sent a copy of a letter dealing with TITO to the United

confidential meetings between KHRUSHCHEV and TITO. It gave the reasons for the resumption of the discussions with the Yugoslavians in 1954 and the basis of KHRUSHCHEV's visit to Yugoslavia and the meeting in the Crimea between KHRUSHCHEV and TITO. It went into the argument between Yugoslavia and Russia. It stated that the Russians were willing to give publicity to some of the differences but TITO asked that this be suppressed since they had some understanding and there was no purpose in making these differences public. TITO said, "Let us not emphasize these differences." According to the letter, the Russians were willing to make these differences public at that time but TITO wanted them hidden.

The Russians also charge TITO with double betrayal because while Yugoslavia did not sign the Declaration of the 12 Communist Parties, the Yugoslavian representative at the meeting of all of the CPs in Moscow in December, 1957, did agree to the formulations of the Peace Manifesto which, for tactical reasons, was separate from the Declaration of the 12 Communist Parties. The Yugoslavian representative signed the statement of the 64 CPs which blames imperialism for all the ills in this world, especially for being responsible for continued tensions in the world.

To sum up, the leaders of the CPSU feel that TITO has to be destroyed as an agent of imperialism. The fight against revisionism is a fight to keep the Socialist camp united. Acceptance of the Soviet Party as the leading party is part of this. Loyalty of the Socialist camp to proletarian internationalism is needed so that a united front can be presented against imperialism. TITO has sold out to American imperialism. TITO states that the Socialist state has become a bureaucratic state. Thus, TITO has opened up the "under belly" of the Socialist states and it is believed that he has reached some agreement with the United States.

Only on a theoretical basis can the CPSU rally the other CPs by showing that TITO violated Marxism-Leninism and then sold out to United States imperialism. Thus, all CPs will have to condemn him. Practical measures are needed to isolate and to defeat him. The Russians want to isolate

~~EXEMPT FROM AUTOMATIC DOWNGRADING~~

The Russians obviously accepted the biographies we submitted otherwise I would not have been permitted to meet with leading members of the CCCPSU.

It will be recalled that when word was first received that the Russians wanted a representative from the CP, USA, to come to Russia, they stated that this representative would be guarded like someone representing the CP of Iraq. They kept their end of the bargain. This has to be understood for the following reason: My visit in Russia, my movements, my contacts with the top leadership were, to a large extent, limited by the fact that I had to live under the most extreme security conditions. I was not like a leader or representative from another CP who could move around freely and make demands. The only questions they raised were in regard to security. Security not insofar as they were concerned, but security insofar as we were personally concerned and security insofar as the CP, USA, was involved. The Russians told me that they were not afraid that something would go wrong and that the United States Government would start to yell. They said that they could take care of themselves, that they are strong. However, if something went wrong in regard to their security for us then we might be punished as individuals by the United States Government.

I repeat that at no time during our entire stay in Russia were we by ourselves, not for one day. Even when we were alone in our bedroom a housekeeper was present in the apartment. We sometimes ate alone since the employees do not sit around the table with persons in our position. There is no equality in Russia. We could never have a real personal conversation about anything since we had to assume that our conversation might be monitored. Occasionally, we would whisper outside the window. Even when we went for walks in the outlying districts we were never alone.

On some days the Russians would appear at our apartment and make suggestions for short trips. We would be taken to the car with the curtains drawn. We would be driven into areas with cobblestone pavements, into forests and into villages

never spoke English in public places.

They took us to places which I suppose had some value. They took us into areas where factories were numbered and not named. I do not know the significance of those places. On the way to this place we passed by the famous prison camp Lubianic (phonetic). At another time we were about 35 miles outside of Moscow. We saw emplacements connected with missiles but no questions could be asked. My wife asked a question and was told these were trenches from World War II. I noticed guns, factories, barracks, etc. They drove us through this area at a very rapid pace.

Except for a river port which we visited twice, we were never taken to the same place more than once. Except for May Day when we walked through a crowd in Moscow, we did not take a walk in the main streets in Moscow.

We saw a lot of ballet and theater. These trips were organized under the strictest security regulations. We never sat in the body of the theater. They would take us to a box, usually the director's box which is closest to the stage. We only sat in the rear row since those in the front row could be seen from the other boxes. In the Bolshoi Theater we occupied a suite of rooms containing telephones, desks, etc. This suite was guarded by an usher. We would arrive 45 minutes before curtain time and would be led through the side entrance. The manager or assistant manager or director of the theater would hurriedly lead us to the suite of rooms. When the theater lights went out we would move into the boxes. We would either leave early or very late. Always two or three persons, such as ALEXAI, SEMA or YURI, would accompany us to the theater.

A barber was always brought to the apartment for me. We did not go to public places for anything. When I went to the clinic of the Central Committee, which is used only by ministers and members and the families of members of the CCCPSU, I registered as Mr. SMITH and my wife registered as Mrs. SMITH from Canada in case any questions would be asked. However, advanced notice of our arrival and the manner of

to a private room.

The same procedures in regard to security were followed in all cities and in all places we visited in the Soviet Union, such as visits to museums, in addition to the theaters. They would arrange private visits to galleries and museums either after hours or on what they called free days when the museums or art galleries were closed. They did this so there would be no possibility of an accident or a chance meeting with a foreigner.

During all the time we were in the Soviet Union we were not allowed a penny in Soviet currency. Not until our trip to China were we given one Kopeck of Soviet money. I do not want to imply that we lacked anything. We could ask for anything and it would be delivered. Even when we were at one of the out-of-the-way places and expressed a desire for anything--anything at all--the person with us would buy it.

The Russians watched our attire very carefully. Once or twice my wife wanted to wear something a little different than usual when going to the theater or to the ballet. They would suggest that she continue with the usual attire. She would wear a kerchief on her head at all times, dark shoes and usually dark dresses or a wash dress of some sort so that she would look like one of the population. I always wore a dark suit and usually a white shirt. I wore a sports shirt with the collar outside the coat when it was warm since this is the way the Russians wear them.

When I was travelling or was to go to a meeting I wore a white shirt, necktie and a hat. The Soviet leadership dresses in the most formal manner. They wanted everybody to believe that perhaps I am an important person. They did not want me to dress much differently than they do. I have never been dressed so formally when travelling or moving around than I was while in the Soviet Union. This was the requirement.

They also told me how to walk. I would never put my hands in my pockets if I was wearing a coat. This is considered to be bad manners and besides it is also the mark of a foreigner. I could never wear a tie clasp and a fountain pen or handkerchief could not be in view.

Reurlet 8-27-58.

Review of Bufiles as well as inquiry at Department of State has reflected that complete copy of the program recently adopted by the Yugoslav League of Communists is not available in the English language.

For your assistance in this matter, however, there is attached a copy of "Daily Report, Supplement, USSR & East Europe" dated April 2, 1958, which contains a summary of the draft program of the Yugoslav League of Communists. According to a representative of the Department of State, this summary covers the entire program, although it is not the final version adopted and it is boiled down to about 20 per cent of its original length.

For your additional assistance, there is also attached a copy of the June 1, 1958, issue of "Review of International Affairs" which was also obtained from Department of State. This publication contains a verbatim account of the final text of the introduction and first three chapters of the program. According to the State Department representative, this constitutes 40 per cent of the entire program.

It will not be necessary for the Chicago Office to return this material.

Enclosures (2)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 4-4-00 BY SP4BJA-MCB
#906318

NOTE: The above-mentioned material was obtained through Liaison from [redacted] of State Department on 9-4-58. The above comments relative to this material were forwarded by [redacted] State Department, who had made this material available to [redacted]

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CG 5824-S* has advised that it would be most beneficial to him and probably would also be beneficial to the Bureau to obtain copies of the recent program adopted by the Yugoslav League of Communists. CG 5824-S* pointed out that both the Communist Party of the Soviet Union and the Communist Party of China are vehemently criticizing TITO and the Yugoslav Communists for revisionism. The Chicago informant could utilize the program of the League of Yugoslav Communists in briefing the leadership of the Communist Party, USA, on his discussions with the CPSU and the CP of China.

It would be greatly appreciated if the Bureau could obtain a copy of this program and make it available to the Chicago Division.

- ② - Bureau (AM) (RM)
1 - Chicago
JEK:LMA
(3)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

DATE 4-4-00 BY SP4BJA-ALB
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UTMOST CARE MUST BE USED IN HANDLING THE FOLLOWING
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The information on the following pages was furnished by CG 5824-S* on August 7, 1958, to SA JOHN E. KEATING and Stenographer [redacted]. This sixteenth letter deals with meetings with LIU Ning-yi, a member of the Central Committee of the Communist Party of China. He discussed the underground operations of the Communist Party of China during the Kuomintang regime. This discussion was held for the benefit of the Communist Party - USA. This letter also contains some comments by CG 5824-S* concerning these underground operations and excerpts from a confidential mimeographed brochure containing two reports by LIU Shao-chi dealing with mistakes in the open and underground work of the Communist Party of China.

- 2 - Bureau (REGISTERED)
- 1 - New York (100-134637) (SOLO) (#7-5) (REGISTERED)
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EX-108

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Liu Ning-yi, member of the Central Committee of the Communist Party of China. The leadership of the Communist Party of China thought that he was the most capable person still alive who could talk about the experiences of the Communist Party of China in carrying on underground activity, infiltrating mass organizations, and emphasizing the long-range perspective.

Both in Moscow and in Peking, they were surprised to learn that at this time the Communist Party - USA has no real, secret, illegal apparatus which is organized. Of course, I told them that the Communist Party - USA does have what might be called semi-illegal organizations. I said that the Communist Party members in industry are virtually, if not totally, illegal. I also said that in many plants, known Communists will not be hired and that some unions expel Communists. I said that meetings of Communist Party - USA industrial committees are always held secretly. Of course, they considered my "illegal" trip as a victory over the bourgeoisie, and that at least some of these things I mentioned were a step forward. However, they could not understand why there is not an unknown underground apparatus with parallel leaders in the Communist Party - USA.

The leading members of the Communist Party of China said that they expected the Communist Party - USA to keep fighting and not to liquidate the Party. They said that it is quite possible that the Communist Party - USA will have to go underground again. They pointed out that there should always be some kind of an underground apparatus and that perhaps the Communist Party - USA could learn from their experiences. They warned that the Communist Party - USA should not try to duplicate their methods too mechanically, but should use whatever it can from the experiences of the Chinese underground. They said that some of these experiences can be considered universal. However, many experiences may be unique to the circumstances which existed in China.

The Communist Party of China knows a lot about the fight which developed in the Communist Party - USA after the underground period. This is why they wanted to relate their experiences in the underground to the Communist Party - USA. While this underground material may seem old, it should be of great interest to us. The Communist Party of China favors a long-term outlook and the infiltration of everything. They have a

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Present at these meetings were ~~bi~~ Chi-hsein, Secretary of the International Liaison Department of the Central Committee of the Communist Party of China, who took the minutes; Madam ~~YU~~ Chi-ying; ~~TANG~~ Ming-chao; ~~LIN~~ Tang; LIU Ning-yi, and myself.

LIU Ning-yi is a member of the Central Committee. He is one of the important officials in the Chinese trade union movement. He is also an important official in the International Federation of Trade Unions. He was the Chief Organizer and Head of the underground in Shanghai, which is one of their industrial cities. While he was in the underground in Shanghai, he operated a store, possibly a drug store. He travelled between Shanghai and Yunnan Province. Once when he returned to Shanghai, the Japanese had changed the registration system. He lived with the police in Shanghai until they were able to obtain for him the necessary documents so he could pass inspection by the Japanese. They used this as an example of how they can infiltrate anything.

LIU Ning-yi is about 5'10 $\frac{1}{2}$ " in height, weighs about 175 lbs., and has straight features. He is very light in complexion, almost white. He has a full head of hair, none of which is gray. He is about 45 years of age. He is silent most of the time and is not given to emotional expression in his conversations.

LIU Ning-yi was supposed to leave Peking on July 11, 1958, for the Peace Conference in Stockholm, Sweden. He met us at the Peking Airport and said goodbye to us.

Remarks of LIU Ning-yi

LIU started by saying that both their legal and illegal experiences, or their total experiences, under the Kuomintang regime have not yet been summarized. He said, We can give you some documents by MAO Tse-tung regarding "policy" and some collective documents of LIU Shao-chi, particularly his article on work in the White Area (area controlled by the Kuomintang or Capitalist class).

He said he is not familiar with the details of Communist Party - USA underground activities; therefore, he is going to limit himself to Chinese underground activities.

ification campaign. He criticized himself during the rectification campaign. He went all the way back to the late 1920's and early 1930's. At the time, he was in Moscow, where he had been sent. He talked of his mistakes in a meeting of the Comintern. In essence, his mistakes consisted of what they called Leftism. He thought that they could organize uprisings in the larger cities, and once they started the uprisings in these cities, then uprisings in other cities would follow. He was one of the leaders of the Communist Party of China in the late 1920's and early 1930's. Naturally, his policy failed. The Party was crushed. He was removed and he has never been in the top leadership since, although he occupies a leading post now in the Chinese Communist Party).

LIU said, But from 1935, we corrected these mistakes in our illegal work in the White Area, and this work was good until the "liberation" in 1949.

He went on to explain why they made these mistakes in the early period. He asked, Was it because of a lack of bravery? No. Was the technique bad? We cannot say that. The basic reason for failures in the illegal work in that early period can be attributed to a mistake in political line. But since 1935, according to MAO Tse-tung, the correct political line was formulated and established. The political line is a very important question. We may study technique. We may even master it. But if we miss the political line or make mistakes in the political line, our work will end in failure.

He said that they gave attention to technique during that period, but not to politics or policy. That is, they "worked with legs but not with brains". He quoted MAO again, who said, Politics is the soul and should take command. Work without a soul must fail.

(Here again he meant to emphasize that politics or the general line is more important than the mere tactics).

LIU said, The line has been correct since 1935, and since then one idea was certain -- that is, that the nature of our revolt against imperialism and feudalism would be a long and torturous path. He said they had to understand this. This was very important. Because LI Li-san's line was one of impatience

only the workers. But precisely because of the nature of the composition of the people fighting imperialism and feudalism, it was necessary and imperative to build a Communist Party armed with Marxism-Leninism. Since the Communist Party, armed with Marxism-Leninism, was to lead the struggle against imperialism, this Party should have broader unity with the workers, peasants, intellectuals and all patriots. It was especially important to build the workers and peasants alliance.

(MAO, in his remarks to me, told me not to neglect the farmer, even though they may be small in numbers in the United States. Naturally, in China, the peasantry assumes greater importance because of the number).

Continuing, LIU said, Only in this way could we be victorious. He pointed out that this was an important task -- to establish this alliance between the workers and the peasants -- and could not be done in a short period of time. It required a long time. They had to have the long-term outlook.

He went on to emphasize that the greatest tasks are always the most difficult tasks. He said even this question -- that the struggle in China was a long-term struggle -- was not understood by all. Some people thought it would be easy and thought in short terms. Because they did not view this as a long-term task, they made short-term plans and exposed themselves.

(He is now referring to the illegal workers).

Because they were impatient, they did not complete their tasks and disillusionment always followed.

(There is always emphasis on the long-term outlook).

Then he repeated things which others said before. In the strategic respect, we should look down on the enemy because it is a decaying class. It will die and the workers will be victorious. The imperialists will be finished off and we must equip ourselves with this outlook -- that is, imperialism from a Marxist-Leninist point of view is decaying and is finished. Tactically, however, we must correctly estimate the enemy and view it seriously and adopt careful and cautious tactics. For

after he can give the old man a beating. (Of course, the "old man" is imperialism).

When in the song "The International" we sing of a victorious tomorrow, this can be twenty, thirty, or one hundred years from now. From the point of view of human history, a century is nothing. But five years in day-to-day work is really a long five years. We say that the over-all revolutionary situation was good when a one-million-man revolutionary army surrounded Shanghai. But even at the time we crossed the Yangtze, the reactionaries were still about to murder our workers and comrades in the city. We could not substitute the over-all political situation in Shanghai for the practical needs. That is, to say "tomorrow" the city will be liberated, but today the workers in Shanghai will be killed.

LIU stated, We must see the distinction between tactical plans and the over-all strategic picture. The strategic outlook must not replace the plans of work in a factory. Our mistakes of Leftist sectarianism lies in this. These mistakes estimated that imperialism is in a crisis and that the ruling classes were involved in a political crisis. Therefore, this particular plant or factory must also be in a crisis. Therefore, we must fight in this factory. (Li Li-san's line).

(LIU was warning against the fact that you cannot substitute the strategic outlook for daily tactical needs and that the sectarians would substitute for this strategic idea the tactical estimation in a given area).

From this factory, we have to develop the struggle to the city; from the city to the province; and from the province to the country. (All this is linked to the strategic idea -- that is, that Capitalism or imperialism is dying).

LIU then asked, Is such a thing possible? Sometimes it is, but it is not that simple. We must understand that the over-all strategic outlook is correct or good. This should strengthen confidence in our work. But in a particular factory, the estimate of this particular factory should be real and tactics should be adopted for this plant. We will have a struggle in this factory, but whether it will develop into a nation-wide victory, we cannot say. It is not always possible to develop a factory struggle into

guerrilla areas in the cities, the ruling classes -- the imperialists and Capitalists and bureaucratic Capitalism -- were still strong. Therefore, in the cities, the situation was that the enemy was stronger and we were weaker. It was, therefore, necessary to accumulate strength and forces over a long period.

Then LIU asked, How can we accumulate our strength and our forces? With regard to this, the first question is that of the Communist Party. The Communist Party should unceasingly develop, consolidate, grow some more, and swell its strength. One should see to it that the Communist Party organization should not be disrupted. At the same time, we mobilize to the fullest extent the broadest masses to swell our ranks. In this sense, there is the integration of legal and illegal work. The Party organization should be absolutely secret. But the mass work should be absolutely open and legal. This is a unity of opposites. In the past, we had a wrong understanding of this question. We wanted to build a mass Party. We thought we must integrate legal and illegal secret work with our open work. The words themselves are all right, but the essence of the question is against Marxism-Leninism.

LIU said, It is correct to build a mass Party because this means a Communist Party with a mass following. But if we interpret this to mean that the building of a mass Party means to recruit the masses and lower the standards of Party membership and to open up the Party ranks to all sorts of membership, then we are exposing our members to the enemy. If we carry on mass recruiting, lower the standards, though we pay lip service to illegal work, it is ostrich-like, where the head is in the sand and the body is exposed. Mass recruitment means exposing the Party. Therefore, such a Party could not stand storm and stress. Spies will get into such a Party.

Take this case: All the leaders are holding a secret meeting. The next day we lead a demonstration. We exposed ourselves. This was called "integration" of legal and illegal work in those days. When a particular comrade led a strike, the police followed him and in this way they traced others. This so-called integration integrates the secret police into our Party and into our secret work. As a result, the strike was broken up. The police followed, discovered the secret meetings, and all those who participated were arrested. Then gradually it developed that

were raids and arrests, etc. Leading Party comrades did not refrain from attending. They went to these demonstrations because some Party people "accused" them of cowardice if they did not go. They were not afraid of the arrests. They were more afraid of the accusation of cowardice. Although these things invariably failed (this combination of illegal work and demonstrations), sectarians would always say, "We extended our political influence." But even on the eve of the downfall of our enemies, the membership got smaller and smaller. The workers would say to a Party member, "Do not come to me. I am afraid of my job." Then they would make charges, such as, "You guys get money from abroad." Other workers would say that Communists did not get money from abroad, but they are crazy. The Party was getting smaller. The masses did not follow the Party when it made such mistakes and the Party became isolated. For nine years, we pursued this wrong line. Many of our comrades were isolated, tortured, imprisoned and killed. Yet, the prestige of the Party remained. The masses finally found that we were not Moscow agents, but that we were not practical people either.

After nine years, we came to the realization that we were wrong. We concluded that these methods (integration of legal and illegal work) were wrong. We concluded that the political line and the tactics were wrong. We analyzed and concluded that the Party organization must be absolutely secret and the mass work must be open. Can we say that we want the Party to be secret? We should raise high the Marxist-Leninist banner wherever there is a legal possibility. We should utilize every legal possibility. But the conditions do not always permit this. Therefore, illegal work is necessary. In spite of the fact that the Party wants to be legal, if there is a possibility we should always look ahead. Only in this way will we avoid extermination. It is a life-and-death struggle. We could do open and legal work, but the enemy would use this to finish us off. We will give the enemy a blow by using legality. The enemy wants to drive us underground, but we organize the masses and give them blows. We give the enemy blows from the underground. Legal or illegal work is not an aim in itself. It is a method of struggle.

It is wrong to say that our Party likes to be open or illegal or to place the problem in this fashion. It is wrong to say the Chinese liked illegal work or that the Communist Party - USA

Japanese occupation, we had little chance of coming into the open. For quite a few years our Party had Party representatives stationed in the Kuomintang areas (during World War II). But we were always on guard, realizing that the enemy would like to finish us off. The real Communist Party organization must be absolutely secret to preserve our strength. Despite the fact that the Party had legal headquarters in the Kuomintang area, comrades worked in secret and had no contact with the headquarters.

We had two systems of organization. I worked in Shanghai during two periods. During the Japanese occupation, I worked for five to six years in illegal work. Then I went secretly to Yunnan, then came out again to Chungking. Then I went to Shanghai as a representative legal figure. The second time I was in Shanghai, I had no contact with the underground. Therefore, the first period was absolutely secret. The second period absolutely legal. The second time I represented the trade union and contacted United States labor attaches. I could not combine two jobs in one person at one time.

Then LIU said, The underground Party organization should be absolutely secret and the enemy should have no knowledge of its personnel or its organization. He said, Here is a difficult question. It is easy to go from illegal to legal work. But to go from legal to illegal work is very difficult. At the beginning of the anti-Japanese war, many Communist Party members were known as legal members of the Communist Party. When the upsurge developed, some members resented the recruitment of others. Then LIU asked, What is the criteria for membership in a revolutionary period or the high tide when people want to become Party members? When there is a low tide, people see Communist Party members and run away from them. Developments in the Party are not even. At the same time, we can have high tides in one area and low tides in another area. The Party leadership should determine if a national tide will continue or if a low tide is coming. The Party leadership should examine to see where there is a high or low tide. The leader's heart should be warm, but he should be cool in the head. (He should not be taken in by certain local circumstances).

Continuing, LIU said, Party leaders should not tail behind the masses. In 1937, there was a high tide in Shanghai. Many people wanted to join the Communist Party, but the Central

advance preparations. If we would not have done so, it may have been too late, when the Japanese came in. When the Japanese came into Shanghai, the Communist Party members had already left, changed their jobs, and others took their place, etc. He said that you have to measure the tides and prepare in advance.

(In their opinion, the underground of the Communist Party - USA was just one big mistake).

LIU stated, The new members were organized into new cells so there would be no contact with old Party members. If we relied only on the old members, there would be continual exposure. The former Party members were later recruited and set up in separate organizations, with a new leadership. If the old members continued to lead the new organization, they would expose not only themselves, but the new Party organization, also. If the old members drop away or become passive, the enemy sometimes believes they are no longer active. The old Party members who are present should be completely divorced from the new. The new Party organization should develop on a new basis so it will be reliable. If we did not make drastic decisions of complete severance of the old and the new, exposure would be inevitable. If one comrade was exposed, we would not allow him to attend any meetings any more. If one place was exposed and destroyed, we did not try to re-organize it. If a comrade was arrested in that place, and if we sent a new leader to work, he, too, would be exposed. Therefore, amputation is needed in such a situation. Carry on as individuals and do not form a new organization.

We prepared our Party membership for this. We told them ahead of time of such a possibility, so there would be no spreading of the infection of exposure.

With regard to the form of Party organization, LIU said, We should be organized on an industrial basis. A secret Party should not be big. Exposure is easier if the organization is big. In an underground Party, the main thing is quality, not quantity. Recruiting according to necessity is not possible in an illegal situation. For instance, in one place the Party recruited three members. Now there were four. In another place, there may be twenty prospective members, but we do not recruit them. Some can look for the Party. Some can carry on work, but

LIU asked, "What do we mean by 'good Party members?'" First of all, personal history must be known. We should know the political face, work, historical connection with this particular factory, etc., of this individual. The workers in the factory may not know that a given individual is a Communist Party member. But the workers might say that he is a "good guy", a friend of the workers. If a worker is fired, they look to this "good guy" for advice. Where is the strategic position in a factory for this comrade? The strategic position is where the most important work is being done. He must try to get into that strategic workshop. In general, it is difficult to get into such places. Where Communists can get in easily, there is no need for skill. These are the less important shops. It is easy to get in among the casual workers or the unemployed. However, if we organize Party cells in non-strategic factories, we are spending time with unimportant workers who are not effective.

Once in a bus company there were no Party members among the drivers, machinists, janitors, etc. This is not very effective. If we are not in the mainstream, we cannot be effective and even though a city is "liberated", our people do not know important sections of the workers. Migratory workers are not known. We do not know their history.

Next, LIU stated, The highly skilled worker will not listen to the unskilled or to the casual workers. Even progressive workers would be suspicious of casual workers. When we carry on activity, we find that work among these casual workers is easier. We work among these, too, but the aim is to get them into strategic departments. We work among the unemployed, too. We should try to link the employed and the unemployed. At the same time, we should try to place the unemployed into factories and into the most strategic parts of the factory. When you set up Party cells of the unemployed, the objective should be to get them into factories. We should not expect that this line will always work. Never expect an ideal situation, where our people will always be placed in a strategic spot. Once the Communist Party decides that this is an important factory, we must try to get into it, using many methods and means. For instance, in a motor works, a Communist Party member is not in a strategic spot. Efforts should be made to gradually try to move him into a strategic spot and then build an organization. There may be just a small machine shop, but the workers have a lot of connections.

Then LIU said, The Party leadership is unified. But the multiple sided workers and comrades do not know each other. People in many departments do not know each other. Do not unify Party organization with all members. It is better if they do not know each other. If one is exposed, it would not affect the others. Then LIU asked, Can we have one line in a big shop? Not necessarily. There may be two lines of approach and there may be no connection. The unified leadership can give different tasks and different approaches. You have to have a long-term objective; perhaps no strikes, but just make friends. You may have a ten-year perspective.

Then you have other Communists who do mass trade union work. Sometimes they discover each other, but the Party, as a rule, advises no contact. Even if you are friends, do not divulge your Party membership to each other. If one is exposed, the other is safe. In this way, we can maintain cells in important factories for a long period of time.

In regard to Party leadership on a city scale, LIU said, No one individual should know too much. There should be no meeting of activists. Once they meet, it is too late. Generally, one should have contact with two. Then there should be layer after layer separated so there would be no horizontal exposure.

Again about Party work in the city, you should limit full time cadre. Most of the people should be in the factories. Most Party members should have a profession or trade. Then he can get recruits and protection. A Communist Party member should learn his profession and live according to his status. A businessman should make money, a doctor should be a good doctor, a teacher should be a good teacher, etc., in order to obtain status. Assuming that the police would question such a person about his Communist connections, he would then have good backing.

LIU said, When we made mistakes in the old period, businessmen who were supposed to be businessmen would lose money. In this sense, these comrades would never get prestige among the masses. On the contrary, we would shut ourselves up and isolate ourselves. The comrades who do secret work should be entirely separated from the comrades working in the open. Comrades working in trade unions should be separate. They should

Then LIU asked, How to make contact? How to meet? He said, we used to use public functions. For instance, some worked as businessmen. They would meet in the stock exchange. They would make use of the places where the enemy pays the least attention. Stock exchange members, as a rule, are not watched by the police.

Secret work should be protected not only by Party techniques, but by legal means existing in society. It should be protected by the masses. When we say this or that comrade is doing secret work, it means only as regards Party organization. As an individual, he does work in society. Only the Party organization is secret. The Party members should have on their fingertips the desires of the broadest masses and should unite with the masses. To educate and unite the masses is to make use of legal possibilities and the faults of the ruling class.

Whatever the contradictions are, we should not allow the members to say that they are members of the Communist Party. Yet, they propagate the Communist Party line. How can this contradiction be solved, when one propagates the line and yet does not admit membership in the Communist Party? What do we mean when we say the Party represents the interests of the masses? We mean that our Party slogans should be expressed and transformed to meet the longings of the people, to say the things that are in the hearts of the masses. If we have a Party program and the masses do not heed it, what good is it? The demands and the needs of the masses are systemized into a program. This represents the interests of the masses. For instance, in our Party program we say, "We want to improve the livelihood of the masses." Can the masses change a word? No. In the old days, this meant lowering the integrity of the party. The masses do not say "improve the livelihood of the masses." They say they want a 20% wage increase. They speak more concretely. Can we say the original words were wrong? No. The program needs to be concretized.

LIU cited an example. We say, "We oppose rationalization or speed-up", but in a factory this cannot be put that way. In a particular factory, this must be concretized. For example, "Thirty workers should not be fired", or to be even more concrete, "Mr. SMITH should not be fired unless he receives so much severance pay." To lead and carry out a Party program in the factory, we

itself merely against rationalization, but is defending Mr. SMITH. A Communist, Mr. JONES, can get up on the floor and make a proposal. He is for severance pay or something connected with firing. If it is a good proposal, without saying that he is a member of the Communist Party, the workers will say among themselves, "He is a good guy". No one will say he supports the Communist Party. LIU said, Despite the fact that we do not use the language contained in the Party program, we, nevertheless, carry through the Party program. The boss wants to fire Mr. JONES because he is a member of the Communist Party. The workers will say, "If he is a Communist, then we are all Communists."

In the past, during our sectarian days, our Party members did not see this. Sectarians called it a revision of our program. They charged us with not raising the banner of the Party, with raising personal prestige, with opportunism, etc. He went on to say that some of these people were expelled from the Communist Party, but the masses and workers did not like this dogmatism, no matter how correct the Party member would be in using the words of the program. In order to carry out work in such a manner -- to concretize it -- a Communist Party member must know the desires of the masses and he must familiarize himself with the language of the people. In this way, he can break down our isolation. Although he is known neither as a Republican, a Democrat, or a Communist, and his lips do not use the word "Communism", he does represent the interests of the masses. We should see to it that this comrade should not lead all the struggles. The next time, another comrade should lead a struggle. Keep on changing people in order to give leadership in mass organizations, so one Communist will not have to stand in the forefront all the time. This would lead to exposure.

Next, LIU stated, During the period when we made Leftist mistakes, we were charged with giving up leadership of the masses. He said, Which is better -- to train one or many mass leaders? If a Party member should be surrounded by a group of non-Party members, this will be effective. The Communist Party should be well acquainted with the real desires of the masses. The Party should know how to surround itself with non-Party people. This is what we call united front mass work. We start with concrete issues and lead to the general Party program. We start not with the distribution of illegal leaflets and not with empty propaganda, but with concrete deeds. Communists have to root themselves and

critical nature of the enemy. By that time, if the enemy will say that our people are agents of Moscow, the masses will not care because the Communists will have gained the confidence of the workers. If we started out by saying the Soviet Union is this or that, the workers will say these are foreign agents and the police will get you. That is no way to support the Party program. You might as well sign a document saying that you are a Communist and then the masses will run away from you.

LIU went on to the question of how to utilize legality. He said that while our Party was an illegal Party, it made use of legality. We make no secret of mass work. When a Party member has twenty workers around him, should this Party member organize them into a study group? Once they are organized, without discipline or experience, the enemy can spot each one and expose them. These twenty non-Party members should make use of legal opportunities and not organize separately. They should use existing organizations. In old China, the Kuomintang organized trade unions. So did the Japanese. In ammunition factories, trade unions were not allowed. The Kuomintang trade union leaders were very bad. But we can utilize trade unions. As LENIN said, "If there are masses, go there." The top leaders were bad, but the masses would like to use these trade unions. In such trade unions, there were certain clauses and bylaws in the constitution which could be used. We must bear in mind that these top leaders were corrupt, but were separated from the masses. We made use of bureaucracy to carry on our work. It was possible to become a trade union leader in a factory. We did not admit Communist Party membership. We acted like Kuomintang trade union leaders and utilized the laws of the union for the workers benefit.

Then LIU said, Even when workers oppose bureaucrats, we should not oppose these trade union leaders. Do not charge the union with bureaucracy or make statements against the union, saying that it is no good. Make use of such unions to come into contact with the workers and to derive benefits for the workers. When a comrade becomes a leader in a local or a shop of such a union and the workers launch a struggle against the boss or the trade union leadership, he should not come forward as a leader of the struggle. He should assume a "third person" attitude. When the class enemy wants to suppress us, then this comrade should come out as a reformist and say that this would make the situation worse. Act like a reformist. In this way, you take the

The top bureaucracy may issue orders to this local leader. If the order is to deceive the workers, he takes the order and carries it out with some empty phrases. If the top leadership issues secret orders to suppress the workers, he carries it out in such a way as to warn the workers. You may have to carry out orders of the leadership, but carry them out in such a way that they will not be effective. In some cases, if the order is no good, use the bureaucracy for their failures. You can carry out the orders from the top in the Rightist or the Leftist way. This will result in the sabotage of the actual order. In this way, we are making use of the enemy, and its traditional way of doing things, for the interest of the workers. Bureaucracy is bad. But we make use of this bureaucracy to exist permanently. If one of our comrades becomes a leader in a union local, he can protect Communist Party members in that factory. If we have no such attitude, the comrades can be exposed.

Then LIU asked, Can we carry our influence where there are no unions? That is possible. Use local social setups. For instance, in a particular shop, friends and relatives can be used. Utilize cultural and religious organizations. When we utilize these organizations, we should not take a Leftist attitude or we may be exposed. To lead a struggle in a factory, there are legal and illegal methods. These struggles should take different and various forms. A struggle might begin with the circulation of a petition or sabotage or a strike. We can begin by presenting petition demands and develop it into a strike and conclude the strike in a legal way, arbitration, etc. This is the "legal way". Unless the situation is ripe for an armed uprising, if we try to develop a strike into an uprising, nationally would be wrong. In struggles like these, the struggle must be profitably reasonable with moderation. Do not go too far. By "reasonable", we mean it seems reasonable to the workers and society. We want to win sympathy and mobilize masses easier, so they can be more determined in the struggle.

The second principle is that it has to be profitable. If we can gain something out of this, we conduct a struggle. Otherwise, we do not. If the workers insist that we go further and if we think there will be no gain, we must go along and convince them to change their course in order to minimize losses.

MARX in Germany) was wrong. He once said that "struggle is everything". MARX said that struggle is not everything. Achievement is more important. Some of these benefits are only temporary. The reason the Communist Party leads a struggle is to organize, consolidate and accumulate strength to capture political power. These struggles are to gain temporary benefits and advance consciousness for the ultimate goal. When we led strikes and won them, but broke up our organization, we considered these failures. Struggles take place in many forms. There is no principle that wherever a Communist Party organization exists, there must be a strike. Sometimes when we have to convince workers not to strike, this is also a victory. This is where we have differences with LA SALLE. Sometimes a strike is not victorious, but the struggle educates the workers and lays the ground for their future struggle and their victory. The day-to-day struggles are all for training the workers and people's army. They are not aims in themselves.

Then LIU said, We look upon demonstrations in the same way. If the masses demand demonstrations, we will hold them to educate the people, broaden the ranks and strengthen the organization. If we will accomplish this or if it will help us, we will hold such a demonstration. If there is no urgent demand from the masses but only a few Communist Party members want such a demonstration, would not this demonstration be a failure? Not to hold a demonstration or strike depends not upon sentiment, but rather where the strength lies. It must be decided by objective conditions. When the boss is ready to close down a shop and you conduct a strike, you play into his hands. Everything depends on whether we can enlarge our strength. In this way, the Communist Party can organize great mass struggles, and can mobilize them in an open way. But the Communist Party organization is small, under these circumstances, in proportion to the masses. If there are more masses organized, the proportion of Communists can be even smaller. On the other hand, if you have only a few activists among the masses and the masses are not in motion, a proportionately bigger Communist Party may lead to failure. When the Communist Party educates the masses, keep in mind the level of understanding.

Discussions

During the discussions which followed the remarks of

which the Kuomintang had control, including the military. They said that before the "liberation", practically every General in the National Army had a Communist as his executive officer. They said they knew every move of the Kuomintang and they were in a strategic position to determine the outcome of any struggle which would take place.

They made claims that they practically controlled the entire Kuomintang trade union apparatus, both in the top and in the lower echelons. The Communists were not always the leaders in the trade unions. They would win over some of the trade union leaders. Other trade union leaders did not know until the time of the "liberation" that people working directly under them were Communists. The Communists would get into the trade union leadership in one way or another and then behave like non-Communists.

All present cited examples of their experiences in the underground. YU Chi-ying worked with religious organizations. While the Americans were in China during World War II, the Chinese Communists worked as part of the liaison group and as loyal Kuomintang representatives in the various institutions which were established by the United States.

COMMENTS

The Chinese have developed the art of infiltration to the highest degree. They really bragged about infiltration. We should study their underground experiences and benefit from them not only in regard to the Communist Party - USA, but also as an illustration of how Communist Parties work everywhere. The Chinese experiences are a master plan.

Since they have developed the art of infiltration, they were always boasting about the influence they had in Formosa. They said that they are not worried about the Formosan Army.

I am convinced that since they have developed this art of secrecy and infiltration, that they have hundreds of thousands of secret Chinese Communists throughout Asia. There are many millions of overseas Chinese. I am sure that they do not permit the Chinese Communists overseas to expose themselves. On the contrary, they are probably working hard so that these Communists will obtain the most influential positions and the most strategic posts in governments, in labor organizations, and in other organ-

Communist Party - USA has a long-term view, it might once again develop its connections with the masses while, at the same time, protecting the Party organization. The emphasis was on: (1) A correct political line; (2) A distinction between the strategic aim and the tactical aim; and (3) The carrying on of mass work.

In regard to the illegal Party, it must be secret. If there is an illegal and a legal organization, one has to be totally separated from the other. In mass work, the purpose is to gain strength and to lead only those struggles which will win support for the Party among whatever strategic section of the population the Party is trying to win over. The Party should use every possible method in order to get this strength. It should keep in mind that it is saving strength and forces for the realization of the strategic aim. The Party should not expose its members or the organization as long as it can possibly avoid it. Party leaders should not listen to radical phrases, such as raising high the banner of struggle. Struggle is not an end in itself. A more important end is to gain the confidence of the workers. Educate them so they will have confidence in the Party. Then, when the objective situation is ripe, the Party may have the kind of struggle which would lead to the taking over of the Government apparatus.

Communist Party of China. The leadership of the Communist Party of China considers this to be their most official and authentic summary of the period of their underground work. I asked for and received permission to copy a few paragraphs. The following paragraphs I considered to be the most pertinent and important in regard to this particular subject:

"Distinction between, and Mutual Changes of, Open and Secret Work

"During a given historical period, the strategic task of the Party and revolutionary class remains unchanged, while tactics may change frequently, that is to say, the concrete form and paths which the Party takes for the fulfillment of the strategic task change frequently in correspondence with different internal and external circumstances and conditions in which the Party and revolutionary class find themselves in different periods and places.

"This explains the complexity and changeability of the forms of struggle, work and organization, which the Party and revolutionary class adopt in different period and places for the achievement of a given strategic aim. The Party and revolutionary class are required to adopt such forms of activities as are 'suitable to occasion and place,' to have the greatest possible flexibility, and to oppose rigidity and formula-ism.

"Open and secret work are two forms of Party work -- two forms of the same thing. In deciding our form of work, whether open or secret, it is necessary that we should make a concrete analysis of the internal and external circumstances and conditions at a given time and place. Only thus can we distinguish what should, and can, be conducted openly from what should, and must, be done secretly.

"Generally (only generally) speaking, whether the activities of the Party and revolutionary class are conducted in a legal or illegal way is the standard and yardstick determining their form of work, whether open or secret. That is to say, legal activities generally can be conducted openly, while illegal activities cannot be conducted openly and must be carried out secretly. (It should be noted that both written and unwritten laws are implied here.)

tionary class, what forms of work, organization, and struggle can be conducted openly, and what cannot be conducted openly but must be done secretly -- in other words, what activities are allowed by laws of the rulers and can be conducted legally and what are not allowed and must be conducted illegally.

"The legal and illegal scope of the activities of the oppressed revolutionary class and its Party is not unchangeable either.

"This is because:

"1. The laws of the rulers being made for the purpose of oppressing and fettering the ruled and not the rulers themselves, the rulers can, in accordance with their needs and will, promulgate, abrogate, or change certain laws at any time.

"2. The scope of legal activities of the Party and the masses may expand or contract in accordance with the change of the fighting strength of the oppressed class, the relative strength between the contending sides, and the inter-relation of various classes in society.

"Generally speaking, the legal scope contracts when the revolutionary masses are weak in fighting strength and suffering setbacks; it expands when the revolutionary forces are strong and advancing. The Party and revolutionary class, therefore, must always pay attention to winning legal status and expanding the possibilities for carrying on certain activities legally whenever possible.

"With the rulers, however, the stronger and more threatening to their interests and existence the revolutionary forces become, the more they restrict and oppress the revolution (e.g., the present trend of fascism is by no means a sign of the strength of the bourgeoisie.)

"Owing to the changes of the enemies situation and our own and the advance or retreat of the Party and revolutionary class, the scope of legal activities of the Party and masses often undergo sudden changes, giving rise to mutual replacement of open and secret work. Certain or all spheres of the Party's activities often abruptly emerge from the underground into the open or go from the open into the underground.

"Generally speaking, the activities of the Party and revolutionary class emerge from the underground into the open when the situation is favourable, and go from the open into the underground when the situation is difficult. To emerge from the underground into the open is easy; to go from the open into the underground is difficult.

"The Party should appraise the general trend of the class struggle, the new tasks which it may put forward, and the changes which may take place in the situation in the immediate future. It should go a step further to appraise which part of the activities of the Party and revolutionary class will be made open and which part will go underground and to make preparation and arrangement beforehand, so that such mutual changes of open and secret work will be effected with preparedness and in an organized way. This is of great importance to the work of the Party. By so doing, missing of opportunity, panic, and losses either in work, or of organization, or even of lives can be avoided or minimized.

"How An Illegal Party Should Utilize Legal Possibilities:

"The utilization of the objectively existing legal possibilities by an illegal party in conducting the various aspects of its work is precisely the open work referred to here. In the period of reaction, the Party does not have legal status, nor do the Party members. But individual members, so long as they have not exposed themselves, can still participate in all sorts of legal activities. If we can fully and properly utilize all legal possibilities for individual Party members to participate in all sorts of open and semi-open social activities, then there are objectively many such legal possibilities that can be utilized by us even though the Party is completely underground.

"In times like this, the Party and its organizations are strictly secret, but most of the Party members can still participate in all sorts of open social and political activities according to their respective possibilities. In this way the Party can, through these Party members engaging in open work, penetrate deep into all aspects of social activities, maintain connections with comparatively broad masses, and capture different open and legal social organizations, institutions, and publications.

"2. Only in this way can the Party maintain connections with comparatively broad masses and educate them; and

"3. Only by such means can it better preserve and consolidate its secret organizations and continuously build up auxiliary organizations among the masses.

"Thus it will be impossible for the reactionary forces to put the illegal political party of the revolutionary workers out of existence. Only those secret parties that shut themselves up completely in attics are the easiest for the enemy to destroy.

"To utilize legal possibilities is principally to assign Party members to join all legal social organizations and institutions, no matter how these organizations and institutions are controlled by the reactionaries. At the same time it is also necessary to utilize legal possibilities to set up all sorts of legal 'grey' social organizations and institutions, adopt legal form of work to conduct our activities to unite the masses, to educate them, and within legal bounds to support their interest and direct their actions.

"Comrades working in legal organizations and institutions must patiently and persistently preserve their legal exterior; they must by no means reveal any relation they have with the Party. They must, moreover, try every possible means to capture these organizations and institutions and to preserve as long as necessary the legal status of these organizations and institutions. Therefore, comrades engaging in open work must observe the following:

"1. They must join these legal organizations and institutions through proper procedures.

"2. They must assume proper social standing and exterior, to which their manner of work, attitude, language, style, attire, private life, etc. must conform. To the extent of not hampering the practical interests of the Party and the revolution, it is best for them to appear as ordinary and common as possible.

to distribute illegal propaganda literature, etc. They must not copy the procedure of work adopted inside the Party.

"4. They must be able to utilize the contradictions between the different cliques of reactionary forces for attaining their ends, to oppose, by proper and legal means, the reactionary leaders of these organizations and institutions, and at the same time to keep up a show of friendship with them.

"5. They must adhere honestly to the original tasks of these organizations and institutions (provided such tasks do not fundamentally hamper the practical interest of the revolutions) and try their best to preserve the legal status of these organizations.

"6. They must maintain necessary connections with the secret Party organizations and submit to the guidance and supervision of the Party, only that this must be realized by particularly skillful secret means. Generally they must not simultaneously take charge of any work in the secret organizations; their relation with the Party must be known to the smallest possible number of persons; and their connections with the Party must be minimized to what is necessary.

"Utilization of legality in this way enables our Party members and Party organizations to hide themselves as much as possible among the masses and all sorts of organizations and institutions, to carry out, through legal means, the various aspects of Party work, and within the limits permitted by the situation to cover up at the same time the secret organizations that are carrying on their work. Such work as can be conducted through utilization of legal possibilities should be expanded as much as possible in scope; it should be carried out in as complete a legal and open way as possible (of course semi-legal possibilities should also be utilized.) If the Party has more legal possibilities to utilize in carrying on its various branches of work, its secret branches of work can be reduced and contracted to the minimum necessary extent; the organs, personnel, and expenses for the secret work can be reduced and contracted; and the organs of secret work can be more easily set up.

"Only by expanding the scope of open work can we reduce the scope of secret work; conversely, if the former is reduced, the latter will inevitably expand; and this, as far as a secret party is concerned, will be greatly convenient for the enemies and spies.

Generally speaking, comrades in the upper stratum who take charge of open work should screen and assist comrades in the lower stratum who conduct secret work, while comrades conducting secret work in the lower stratum should unite and mobilize the masses to support and aid the responsible comrades in the upper stratum (in countries where there are parliaments, there is coordination between struggles within and without parliament.)

"Such a coordination is attained through the secret connections and organizations of the Party. At the same time, such connections should not go beyond the bounds permitted by the circumstances prevailing at the given time and place and should be effected by a very skillful method. Should they go beyond such bounds, the offices held by certain comrades, and even the very existence of these organizations and institutions, will be affected.

"The Laws Governing Secret Work

"When the Party is illegal, all its members stay underground and secretly connect themselves with the leading organs of the Party. But among the Party members, apart from those who have joined open and legal organizations and institutions and those working among the masses, there must be a section to take charge exclusively of the secret work of the Party, to organize secret bodies, and to set up secret organizations (such as publication of secret papers, communication and leading organs of the Party.)

"Such secret work of the Party must be carried on by specialists (chiefly professional revolutionaries) and should not in general be simultaneously undertaken by those engaging in open work. Secret form of work inside the Party is entirely different from the open form of work mentioned above. The secret form of work inside the Party must never be adopted in open masswork. Underground workers should, as a rule, not reveal their identities before the masses nor should they directly direct the struggle of the masses. They should hide themselves persistently in hard work.

"It is extremely important that both in personnel and form of work, secret work and open work be clearly distinguished from each other and combined with each other in a given form. It is very dangerous for an underground party to have the one overlap the other or confused with the other either in personnel or in procedure

as the relations between secret organs and functionaries and the relation of these with the open organs and personnel should follow strictly certain regulations, and there should be strict discipline to ensure the execution of these regulations. Because of the grave existence of the enemies as well as the existence of spies inside the Party organizations, any negligence in the secret work may bring serious losses to the Party. Only by strict discipline can we ensure the full observance of all regulations and give proper certainty to secret work.

"In regard to the regulations of secret work, the following items should generally be included:

"1. Every Party member and cadre should know only what he must know and not what is possible for him to know. It is impermissible to carelessly reveal the secrets of the Party to comrades unconcerned or to casually pry into the secrets of the Party.

"2. There must be detailed regulations governing the relations of each and every Party organization (or member) with its higher or lower organ (or with other members.) Apart from what has been stipulated, no transversal relations are allowed.

"3. There must be technical stipulations of secret codes, designations, signs, times, et al.

"4. Excepting that which should according to the regulations, be transmitted, all matters discussed at meeting of the Party organizations at all levels must not be disclosed to anyone by those who attend the meetings.

"5. No names of persons or places and no figures should appear in written reports and transmissions. No membership record and cadre record should be kept. When it is necessary to jot down some notes, certain signs should be used.

"6. Generally there should not be any secret Party documents. In case any are necessary, they should be of such nature as will not reveal the concrete secret work of the Party and should be burned immediately after reading. In Party publications and propaganda literature, no secrets should be disclosed.

"7. Secret organizations must be small, compact, and efficient. Utmost caution should be taken against having large sized and motely organizations. Unnecessary acquaintance between comrades must be avoided.

on concrete secret form of work.

"If open work is clearly distinguished from, and linked up according to strict regulations with, secret work; if the regulations of secret work are strictly carried out, and our vigilance is sharpened to the highest possible degree, then it will be difficult for the enemy spies to carry out their activities within the Party, and even if disruption should unfortunately occur in the Party, it would be only of a local nature and would not affect the whole Party.

"The aim of secret work is to preserve and consolidate the Party in the period of reaction, to elude the enemy's observation of, and attention to, the various spheres of our specific work, and to prepare for successful revolutionary offensives. Therefore, in secret work, utmost caution should be taken against 'revolutionary' phrase-mongering (oral or written) which is of no practical significance at all, for such phrase-mongering, devoid of real practical revolutionary significance, will only arouse the vigilance of the reactionary forces, sharpen their attention, and undermine the secret work. We must never identify such phrase-mongering devoid of content and practical significance with propaganda work of the Party which is necessary at all times for the dissemination of the political stand of the Party. The former must be combatted, while the latter is entirely necessary within the bounds of not undermining the specific secret work of the Party.

"Any secret Party organization, in giving guidance to the comrades engaging in open work, should clearly appraise their position and difficulties; it should give them such tasks as they can shoulder and accomplish and ask them to adopt such forms as are feasible; it should not give them such tasks, or ask them to adopt such forms, as are not permitted by the circumstances, for these comrades are confronted with a great difficulty, which consists in the contradiction between the illegal content and legal form and in the indispensable connection between their open status and the secret Party organizations. Therefore, there must be a limit to the scope of legal form within which they can fulfill the tasks assigned them by the illegal Party. It is not possible for them to perform and accomplish such tasks as are beyond the bounds of legal form.

possible their dependence on the guidance of the secret higher leading bodies. In this way it will be easier to fulfill the task of preserving and consolidating the Party and to develop properly the Party work."

Utmost care must be utilized in handling the following information in order to protect the identity of the informants.

CG 5824-S* orally furnished the information on the following pages to SA JOHN E. KEATING and stenographer [redacted] during the period between July 23 and August 1, 1958. This fourth letter contains details of that part of the Solo operation dealing with the contact with JOHN and MAE WILLIAMSON in London, England.

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Moscow for a vacation during the time I was there. The Russians housed them in summer homes in the woods and suburbs outside of Moscow. These places are surrounded by wooden fences. Guards are at the door. You have to have identification of some kind or a pass to enter. Militia men patrol the area on foot. You would probably find a policeman each one half block in that area. The only persons who can get in are those who show an identification from the Central Committee of the CPSU or who are in an auto belonging to the Central Committee.

[redacted] wife of [redacted] was there. [redacted] (phonetic), a member of the Political Bureau of the CPGB, was also there. I talked to him at a dachi (summer cottage) outside of Moscow. ALEXAI ANDREOVICH GREENCHENCO (phonetic) of the International Department of the CCCPSU told me it was inadvisable that anyone else see me. [redacted] carried a message from me to JOHNNY WILLIAMSON that [redacted] would meet him in the Hotel Picadilly in London, England between July 14 and July 17, 1958. Of course, this message was delivered with the approval of the Central Committee of the CPSU. The message also stated that two autographed copies of PAUL ROBESON's book, "Here I Stand" had arrived in Moscow and that one copy was given to NIKITA KHRUSHCHEV. WILLIAMSON did not know who [redacted] was when this message was delivered to him.

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II. REASON FOR THE MEETING WITH JOHN WILLIAMSON

B. APPROX. 1903

A new Communist international magazine will be published in Prague, Czechoslovakia starting on or about September 1, 1958. It is to be called "For Peace and Democracy". Actually, it is more than a magazine. It is going to be a sort of Cominform in disguise. Most of the Communist Parties are sending leading people to Prague so that they can hold international conferences. They will place on the agenda of these conferences a particular country depending upon the situation at different times. For example, if there is a certain situation existing in the United States they will have on the

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This is not a secret. It was mentioned many times by almost everyone. I talked with both in Russia and in China. KORIANOV (phonetic) is in the International Department of the CCCPSU and is now in charge of the Russian delegation in Prague for the magazine called "For Peace and Democracy".

[redacted] son of [redacted] is also a member of the Russian delegation to the magazine. Through [redacted] KORIANOV requested [redacted] to write articles for the magazine but I refused. I discussed this with NICOLAI DIMITROVITCH (phonetic), head of the North South American Section of the International Department of the [redacted] and repeated my refusal to him. I told him that the CP, USA did not issued any instructions in this regard. I stated that I thought that any articles should first appear in the press of the CP, USA.

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I saw JOHN WILLIAMSON on July 17 and 18, 1958, and MARY WILLIAMSON, on July 19, 1958. WILLIAMSON was surprised to [redacted] but as soon as he found out who I was he prepared no [redacted] on [redacted] things he wanted to discuss with me.

I had only one purpose in seeing WILLIAMSON. My task was to ask [redacted] on behalf of EUGENE DENNIS, whether he would accept appointment to serve as the CP, USA representative in [redacted] Czechoslovakia on the new magazine, "For Peace and Democracy".

III. REACTION OF WILLIAMSON TO THE PROPOSAL THAT HE BE THE REPRESENTATIVE OF THE CP, USA ON THE MAGAZINE, "FOR PEACE AND DEMOCRACY"

JOHN WILLIAMSON is a paid employee of the CPGB. He is the assistant National Organization Secretary. The National Organization Secretary is a man named LAUGHLIN (phonetic). LAUGHLIN is very jealous of his position so WILLIAMSON has to be careful about what he does. He travels to various areas in England to check up on organization and to make reports.

will be elected to national leadership in Great Britain. He blames EUGENE DENNIS and WILLIAM Z. FOSTER for not putting some pressure on HARRY POLLITT (Chairman) and JOHN GOLAN (General Secretary) of the CPGB. He thinks that POLLITT and GOLAN would have listened to DENNIS and FOSTER and might have elected him to the National Executive Committee of the CPGB.

The CPGB has had two conventions since WILLIAMSON has been in England. One of these was an emergency convention. At the last convention WILLIAMSON's name was put forth on the basis of nominations which came in from lower organizations. When WILLIAMSON learned this he asked that his name be withdrawn because he calculated that he would never be elected. He felt that it was better to withdraw than to suffer defeat. He said that CLAUDIA JONES ran for the NEC and was defeated badly--so badly that it was beyond description. He said that they do not care about Negroes in the CPGB. In fact he had difficulties with them. He said they were practically white chauvinists in their dealings with Negroes until he convinced them that Negroes are sensitive.

On the second day that I saw WILLIAMSON he said that he had thought of DENNIS' suggestion that he represent the CP, USA on the new Communist international magazine and he had decided not to accept DENNIS' proposition. He said that he would be willing to go to Prague or Moscow for a month or six weeks, if necessary, and if he receives an official mandate from DENNIS. He would also want DENNIS to take it up with the CPGB. He said that if he left Great Britain at the present time for a year or so, and that is what this job would require, then he would be in a worse position when he returned than he is now because there would be no possibility for him to ever hope to get into the leadership of the CPGB. He said that if the CP, USA would make him a member of the NC then he might go. He asked me in all seriousness to take up this matter with the leadership of the CP, USA. However, if the CP, USA starts a campaign for the return of the exiles, and if he gets a mandate from the CP, USA, then he would go to Prague for a short period of time. He would still want to be asked officially by the CP, USA and released by the CPGB.

JOHN WILLIAMSON had many complaints. He had a real housing problem. He lived with the [redacted]. The [redacted]s were in the United States and were deported. The WILLIAMSONS lived with them for the first eight months they were in England. The two families lived in a three and one half room house. By the time the eight months had elapsed they were quarreling and were enemies. WILLIAMSON stated that the housing problem is very difficult in Britain. Finally the CPGB helped him to get a place. He said that they did not tell him but he knows that at least one thousand pounds came from Moscow for that purpose. The CPGB put up another five hundred pounds. I believe that these are the figures. In any case, the bulk of the help came from Moscow and the British Party added to it.

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They have a ninety-nine year lease since you cannot buy a house in England. Payment is by week since employment is too unsteady to pay a mortgage or rent on a monthly basis. Another British Communist lives in part of the house so that WILLIAMSON would not become a landlord. They share the rent. This British comrade works for the "London Daily Worker". I do not know his identity. WILLIAMSON told me that he does not have a telephone but the comrade who works for the "London Daily Worker" has a telephone. The number is For 6449. WILLIAMSON said that they have worked out a signal whereby they will call him if he has a phone call.

WILLIAMSON said that the heating system is no good and his wife [redacted]. A big expense in Britain is food and fuel. Most of the fuel is wasted because houses are heated by open fire places.

WILLIAMSON's big complaint was that it is difficult to strike roots in the British Communist Party. He said there is no social life among the Party people. To this day he has not been invited to the home of any member of the NEC of the

he cannot leave his family for a year or two. He also feels that he cannot move them around again with the change of schools, etc. This is a factor in his decision not to accept the proposal of DENNIS. He insists that the CP, USA carry on a campaign for his return to the United States. He said he had considered going to Canada and had talked this over with TIM BUCK. However, they arrived at the conclusion that he would get no further in the leadership of the Labor Progressive Party, the CP of Canada, than in the CPGB. Therefore, he is not willing to go to Canada.

V. INTERNATIONAL ACTIVITY OF JOHN WILLIAMSON

In addition to the work he carries on for the CPGB, and WILLIAMSON is very important in the CPGB even though he is not a member of the NEC, WILLIAMSON is actually an international figure in himself. I learned while in Moscow that WILLIAMSON is pretty much in touch with the American situation and when I saw him I verified the fact that he is pretty much up on things. He has a pipeline for the supply of certain information and documents from the CP, USA to Moscow, Russia and even to Peking, China. He told me that someone from the Chinese Embassy in London calls him at least a couple of times a year and they spend many hours discussing things. He relays CP, USA information and documents directly to Peking, China.

WILLIAMSON writes an article at least once a week. Some of these articles have appeared in "The Worker". He stated, however, that "The Worker" publishes only about one article out of every six he writes. He showed me copies of his articles which have appeared in the Chinese Press and Communist papers in Europe more frequently than in the press of the CP, USA.

WILLIAMSON said that he visited the Soviet Union at the time of the 20th Congress of the CPSU and the Russians pumped him dry. He said that he has received invitations to return to Moscow but has not been there since the 20th Congress.

in the leadership of the CP, USA. He said he raised some problems in regard to the rigidity of WILLIAM Z. FOSTER. He raised the same problems that I did in Russia. He played a role in Russia similar to the one that I played and he too was worried that FOSTER might go to Russia. *U.S.*

It should be pointed out that for our purposes it would be well to keep FOSTER in the United States.

WILLIAMSON said that he did not see any of the leaders of the CPSU during the 20th Congress except for a brief conversation with MIKHAIL SUSLOV. ALEXAI GRENCHENCO was with him. He said that he does not like NICOLAI DIMITROVITCH. He said that they proposed that he move to Moscow and work from there but he had declined this offer. They gave him a vacation on the Black Sea while he was in Russia. *U.S.*

WILLIAMSON said that at the time he was in Moscow, IRVING POTASH was with him. Further, POTASH used to keep in touch with him no matter what part of Europe he was in, such as Moscow, Prague, and Warsaw. WILLIAMSON stated that he knew nothing about the details of the arrest of POTASH in the United States except the fact that POTASH was arrested. He asked me why POTASH was picked up in such a remote area. I told him that I heard of the arrest on the radio and in the newspapers. WILLIAMSON said that an agent of the FBI, who knew POTASH from his Smith Act trial, had arrested POTASH. *U.S.*

A. ACTIVITIES OF WILLIAMSON IN
REGARD TO THE CP, USA

JOHN WILLIAMSON is a sort of clearing house for everything connected with American problems and individuals who originated in the United States. He is in touch with dozens of people in the United States who write him personal letters. In fact, he knew more about some people in the CP, USA than I did. He receives letters from all over the United States. People take up various problems with him. In addition to this EUGENE DENNIS has been in touch with him. He showed me two letters he had received from DENNIS, including one letter which gave him a summary of the last meeting of the NC, CP, USA. In another letter, DENNIS indicated that there was friction between BEN DAVIS and WILLIAM WEINSTONE and that there is a new letter to the Party by FOSTER. WILLIAMSON said that he was one of the

WILLIAMSON asked me whether there was still friction between GUS HALL and EUGENE DENNIS. I told him that DENNIS said they reserved a place on the NEC of the CP, USA for GUS HALL but that his conditional parole is not concluded yet because of the decision in the GIL GREEN - HENRY WINSTON case. I said that I did not know that there had been any friction between GUS HALL and EUGENE DENNIS. It is possible that any such friction started when GUS HALL was the acting secretary in the CP, USA.

In addition to the letters, WILLIAMSON also receives documents and resolutions of the CP, USA. On the basis of these communications he sends his own interpretations to other places and other Parties. All of this is overtime since he is really supposed to be busy with problems of the CPGB.

We concluded, after talking with JOHN WILLIAMSON a number of times, that he is really the center in Europe for the CP, USA. While DENNIS did not write too much to him, he wrote enough so that WILLIAMSON is able to speak with authority in regard to the activities of the CP, USA. Despite all dissatisfaction he will stick to American affairs because it gives him prestige on a world-wide scale and he hopes that it will help him to achieve leadership in the CPGB.

All Communist Parties which cannot communicate directly with the CP, USA write to WILLIAMSON and ask him to interpret certain events, write articles, order literature, etc., depending upon their demands. He is a glutton for work and he undertakes many things. He is quite ambitious and this is why he has become the American expert in the CPGB. Every Communist Party on the Continent writes to WILLIAMSON asking him to interpret American events.

B. CONTACTS OF WILLIAMSON WITH FORMER RESIDENTS OF THE UNITED STATES

In addition to his other contacts, WILLIAMSON has communicated with all of the other exiles in Czechoslovakia, Poland, Germany, etc.

2. [redacted] U.S. ENG pol U.S.S.R.
In discussing [redacted] WILLIAMSON said that the Russians were surprised when the CP, USA leadership in exile did not come to Moscow. WILLIAMSON did not know that [redacted] had deserted the CP until [redacted] gave him this information. He said that he only knew that [redacted] had lined up with the Right Wing. He commented that he bets that the Russians are tearing out their hair because [redacted] quit the CP.

WILLIAMSON said that [redacted] was the dealer in money for the CP, USA in London. He said that [redacted] worked underground "here and there" until he returned to the United States. WILLIAMSON said that he thinks that GUS HALL had something to do with the original arrangement for [redacted] to travel but he is not sure since he was in jail at the time. WILLIAMSON then remarked that GUS HALL used to place large demands on the Russians for funds.

U.S. [redacted] WILLIAMSON asked me if I had seen [redacted] wife of [redacted] or had heard about her. I said that I had heard about her and had read a letter she had sent to someone and that she is stuck in Warsaw, Poland. WILLIAMSON said that [redacted] has not seen [redacted] in all these years. According to WILLIAMSON, [redacted] wanted to see his wife while he was in Moscow. The Russians would not let him see her. Then to convince [redacted] that his wife and children were alive, the Russians flew [redacted] and the children to Moscow from Warsaw on one occasion. The Russians made her walk in a certain square on a street and they let [redacted] look out the window to see his family. However, [redacted] never actually met. While [redacted] used to make trips to Warsaw, Poland, he was never permitted to make contact with her.

I saw a letter that [redacted] had sent to MAN-JA REISS in Peking, China. It was full of despair. She is half starving. She has lost her job. In order to support her two children she sometimes receives a few dollars from the United States. She is also giving lessons in English so that she can pick up some extra money. She has no steady job. She went to the American Embassy in Warsaw and was told that if she talks they would let her return to the United States. She said

Europe. JOHN WILLIAMSON believes that it is quite possible that [redacted] does not care whether she returns to the United States. Her entire family is out of the CP, USA, including [redacted]. She must have volumes of information. JOHN WILLIAMSON said that [redacted] was with [redacted] in regard to the preparations for a CP, USA leadership exile in Moscow. She will not talk while in Warsaw.

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3. [redacted] (phonetic)

JOHN WILLIAMSON spoke about [redacted] [redacted] recently had an article in the "Daily Worker". He was once the [redacted] "Peoples World". He went to Germany. [redacted] do not know whether he was deported or exiled or left [redacted] ally. [redacted] had some trouble with the CP of Eastern Germany. [redacted] asked JOHN WILLIAMSON about him and WILLIAMSON got in touch with the United States. While [redacted] was never a very [redacted] element. WILLIAMSON said he finally convinced the East [redacted] is alright and that his articles are alright. [redacted] asked me to check on him to see if there is any [redacted] who know anything about him.

4. ~~ABE CHAPMAN~~

WILLIAMSON told me about ABE CHAPMAN, who was living with his children in Czechoslovakia. He took out Czechoslovak citizenship and is now calling himself ABE CHAKOS. He is along alright in Czechoslovakia but even he asked for a leave of absence to work on the "Peking Review" in China.

5. ~~DORA LIPSCHITZ~~

WILLIAMSON said that DORA LIPSCHITZ has one of the most important jobs. She is in charge of the entire radio propaganda department dealing with all foreign languages in Warsaw, Poland. She has no family in the United States but is also unhappy and dissatisfied. She became tense and other comrades couldn't get along with her. WILLIAMSON thought that she was the best example of a person being able to accommodate to conditions but she did not.

WILLIAMSON said that [redacted] has a very important job. He is with the [redacted] in Warsaw, Poland. He is also unhappy and dissatisfied. He has gained a lot of weight and now weighs about 250 pounds.

8. ~~HARRY YARRIS~~ FOREIGN

HARRY YARRIS is very unhappy, but his wife recently visited the United States.

It is most likely that the wife of YARRIS would contact [redacted] the sister of [redacted]

9. [redacted] U.S.

WILLIAMSON said that [redacted] who was on a very important mission in India, has returned to Hungary.

10. ~~J. PETERS~~

J. PETERS, who used to work underground collecting naturalization papers, birth certificates, passports, etc., in the United States for the CP, USA, is presently in Hungary. WILLIAMSON said that PETERS got through the purge and the counter-revolution alright and is in good graces. PETERS' wife recently visited WILLIAMSON in London.

11. [redacted] Correct name is [redacted] Rm 6/100-36397

WILLIAMSON said that he wants me to look into the question of [redacted] (phonetic). She was an American Communist. About two years ago the ultra-Left group in the CP, USA decided that she had better get out of the United States. Perhaps she was involved in some investigation in the United States possibly connected with the Greek Civil War. Somebody tried to get information and she got scared. She went to JIM FORD and AL LANNON and they advised her to flee. She fled to London. U.S. ENG

CLAUDIA JONES prepared Party charges against her and said she is possibly an enemy agent. CLAUDIA JONES said that she did not believe [redacted]'s story about being

JOHN WILLIAMSON talked to her and advised her to go back to the United States and told her that she was just creating problems. She is in the United States now. WILLIAMSON wants me to look into this and find out why permission was given for her to leave the United States and who gave her permission after FORD and LANNON told her to flee. WILLIAMSON said that he thinks the CP, USA should have more details and he would like to know about her also.

12. IRVING POTASH

WILLIAMSON talked about IRVING POTASH and said that I should tell IRVING POTASH, when he gets out of jail, that the business POTASH set up in which he sent out various articles (small articles such as antiques) to sell on the European market is no good. WILLIAMSON said that he is sick and tired of bothering with it. It doesn't pay and it is not worthwhile.

13. The []s []

WILLIAMSON said that []'s wife is presently in the United States for a visit.

14. CLAUDIA JONES

WILLIAMSON said that when CLAUDIA JONES came to England the CPGB recommended that she go to one of the People's Democracies and they specifically recommended Prague. She would not go. She said that she would wait around in England because somebody was supposed to come to England to marry her. Some guy did show up, stayed a few days and then left her.

CLAUDIA JONES then became ill and they had to go out and raise money to keep her in a hospital. She still would not leave England. Then she used the excuse that she could not get a passport that the British refused to give her a passport. Finally she became ill again. Usually her illness would be accompanied by a mental breakdown.

Finally they got her to France on a permit visa and the French CP took her down to the Riviera or to Nice in the South of France for a couple of months. The French CP paid the bill. Then she returned to England.

WILLIAMSON said that CLAUDIA lives extravagantly, eats steaks, etc., and the average wage of a Party functionary in Britain is that of a British worker. This added to the resentment among the people in the CPGB toward CLAUDIA. WILLIAMSON stated that CLAUDIA JONES is getting money from the United States. The last time she received money it was \$50 from LYDIA MINOR, wife of ROBERT MINOR. She writes to others in the United States and receives money from them.

MRS
The CPGB got CLAUDIA JONES a job. For about eight or nine months she worked for a Chinese news agency in London. She was fired because she started to tell her boss, who is Chinese, what to do and started to fight with him. The Chinese complained that she did not do her share of the work, that she was always late, etc. CPGB conducted an investigation but had to concede that the Chinese were correct and that she was wrong.

WILLIAMSON said that she breaks down every time something like this happens. Then they have to put her in a hospital. He said that she belongs in a mental institution. He stated that he tries to keep away from her but he did invite her to participate in a meeting with PAUL ROBESON.

She now has a job but earns small wages. She is the Editor of a West Indian Federation magazine, a British monthly. She could not get along with the West Indians but legally she is in a very good position. They tried to remove her but they could not and she is still the editor of the magazine. She thinks that she may get a West Indian passport some day.

WILLIAMSON said that CLAUDIA JONES is a pain in the neck. She is always fighting. She is participating in the factional fight in the CP, USA. She is fighting [redacted] because she is resentful of the fact that [redacted] was elected to the NC and not because [redacted] is an ultra-leftist. WILLIAMSON asked me to tell the CP, USA that CLAUDIA JONES is half crazy if not totally insane and that he is having his hands full with her. He said that he does not know who could influence her.

of the CPGB what is called the American Commission. It was established when a number of Americans, such as [redacted], the [redacted]s, CLAUDIA JONES, and WILLIAMSON went to England. The main purpose of the commission was to interpret for the CPGB and perhaps to supplement all campaigns undertaken by the CP, USA. WILLIAMSON said that as far as he is personally concerned he wishes that this commission would be abolished but that this commission is functioning.

WILLIAMSON said that many individuals who travel from the United States to Europe stop by in London. Usually there are some problems connected with travel. So every problem connected with the United States is thrown in his direction for some solution.

1. PAUL ROBESON *u.s. ENG*

An example is PAUL ROBESON. WILLIAMSON said that it was he who drew up the plans dealing with how PAUL ROBESON would behave and act in Britain. There are two committees in Britain for ROBESON. One is a National Committee which fought for ROBESON's right to travel. The other is a local committee.

WILLIAMSON said that he had a fight with [redacted] the [redacted] of the "National Guardian". When ROBESON received his permit to travel [redacted] and others tried to exclude Communists from activities in relation to ROBESON's activities in Great Britain. WILLIAMSON said that he reported this to HARRY POLLITT and JOHN GOLAN.

WILLIAMSON stated that he, POLLITT and GOLAN met with PAUL ROBESON when he arrived in Britain. The Soviet Embassy contacted ROBESON and extended him an invitation to come to Russia. He said he spent a lot of time with ROBESON working out plans for tours in Britain. He tried to convince ROBESON not to rush to the Soviet Union but ROBESON would not listen. He said that ROBESON was going directly to Russia. He is also going to visit Ghana and India and perhaps other countries. He is then returning to England to perform in some theaters. He has already appeared on television in England.

WILLIAMSON said that he is planning to meet with W. E. B. DU BOIS who is coming to England and is on his way to Moscow as a result of arrangements made for DU BOIS by WILLIAM L. PATTERSON.

In regard to DU BOIS, the Russians, through NICOLAI and ALEXAI asked me for recommendations for the Lenin Prize for Americans. They said they would like to offer it to some scientist or some well known person but they do not want the offer rejected. At this moment they would like to give the prize to EUGENE DENNIS or WILLIAM Z. FOSTER but they cannot. They might give it to PAUL ROBESON if it will not hurt anything. They now think they will give it to DU BOIS. It carries a large sum of money with it. I was asked to take this up with the CP, USA to see if the Party has any recommendations. They would prefer a non-Party person. The Russians said they wrote to a minister in the National Council of American Soviet Friendship in regard to the Lenin Prize but did not receive a reply. They assumed that he did not want to answer.

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3. [redacted] (phonetic)

WILLIAMSON said that [redacted] a [redacted] who is a relative of [redacted] went to Hungary. He had talked with WILLIAM L. PATTERSON and they are trying to arrive at some export business arrangement in Hungary. WILLIAMSON commented that PATTERSON has no business making such arrangements.

It is possible that PATTERSON wants to get in on a business in order to obtain revenue for "The Worker".

D. OTHER CONTACTS OF WILLIAMSON

WILLIAMSON was expecting to see LESLIE MORRIS and BILL KASHTAN of the Labor Progressive Party of Canada. They went to the Congress of the CP of Bulgaria, the Congress of

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U.S.S.R.

VI. MISCELLANEOUS

I gave WILLIAMSON a birds-eye view of my political discussions in Moscow.

A. WILLIAMSON'S COMPLAINTS CONCERNING THE CP, USA

WILLIAMSON complained that while CLAUDIA JONES receives air mail copies of "The Worker" he does not. He also wanted to know why he does not receive the books the CP, USA promised him. He said there is no money for such things in Britain. He also wanted to know why "The Worker" doesn't print more of his articles. He also stated that DENNIS + [redacted] communicate with [redacted] but [redacted] did not. He also complained that my Brother does not write it is noted that my brother was told not to keep in touch with WILLIAMSON after the arrest of IRVING POTASH. WILLIAMSON requested a pair of shoes which can only be obtained in certain place in the United States.

I relayed WILLIAMSON's complaints to EUGENE DENNIS. I told DENNIS that WILLIAMSON rejected the proposition that [redacted] as a representative of the CP, USA to the new Communist International magazine in Prague. DENNIS made no comment. I told WILLIAMSON that DENNIS complained that sometimes WILLIAMSON writes to DENNIS about something that he should not write about. WILLIAMSON said that he has taken care of that and that he is no longer writing in the same way.

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B. ARRANGEMENTS FOR COMMUNICATION WITH WILLIAMSON

WILLIAMSON gave me the following confidential address:

[redacted]

[redacted]

Drive

[redacted]

London. ENG.

VII. COMMENTS CONCERNING JOHN WILLIAMSON

JOHN WILLIAMSON is in a very important strategic position. He is a dynamo of activity. He knows about everything and everybody. The only thing he lacks at the present time is an official credential so that he could act as a representative between the CP, USA and the CPSU. The Soviet Union is in contact with him. The Russians made the arrangements for me to see WILLIAMSON. They told me to tell WILLIAMSON to come to Moscow. ALEXAI talked with him when he was in Moscow during the 20th Congress of the CPSU. Both NICOLAI and ALEXAI said they would like to see WILLIAMSON come to Moscow with his family.

X TANG Ming-chao, a member of the International Liaison Department of the Central Committee of the CP of China, told me to give regards to WILLIAMSON and to tell WILLIAMSON to continue to send information, documents, books, etc., to China as he has been doing. *China*

So WILLIAMSON practically has a Center in Great Britain. As a result of all the contacts he has made in the United States, he is in a pretty good position. I gave him \$50. We agreed to communicate with each other.

